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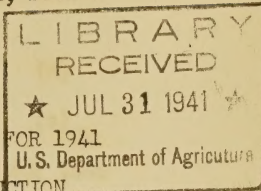
C82C Cotton 508 - Part III, SR, ECR, NCR

Issued July 1, 1941

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

INSTRUCTIONS PERTAINING TO COTTON MARKETING QUOTAS

PART III. COUNTY OFFICE RECORDS OF COTTON PRODUCTION



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Section 301 Applicability of instructions. Part III of these instructions relates to the procedure for receiving gin reports, preparing extracts from gin reports to be sent to other counties, receiving extracts of gin reports from other counties, and posting the cotton covered thereby to farm records, and outlines the nature and use of certain forms, records, accounts, reports, and files of the county committee in connection therewith. Unless otherwise designated, each form mentioned herein is a "Cotton" form and each reference herein to a section is to a section of these instructions. In case the date for performance of a duty prescribed by these instructions falls on a Sunday or holiday, the date for performance shall be the business day immediately preceding the Sunday or holiday. Part III of these instructions is arranged, insofar as possible, so that each phase of the procedure is dealt with in the order that the work is to be performed and the order in which the information will be required in the office of the county committee (herein referred to as the "county office").

Sec. 302 The ginner's report. The ginner's report is required to be submitted to the treasurer of the county committee semi-monthly for periods from the 1st to the 15th and the 16th to the last day of each month, inclusive, during which any cotton is ginned by the ginner. The period to be covered by the report is known as the ginning period. The ginner's report is required to be submitted not later than 5 days after the last day of the ginning period. The ginner is required to report separately for each ginning period the cotton ginned on saw gin stands and the cotton ginned on roller gin stands. Cotton ginned, or to be ginned, by the latter method is required to be designated by the ginner by entering on the form of the report the words "Long Stanle". The ginner's report covering each kind of ginning is required to distinguish between cotton ginned for producers, seed cotton marketed by producers, and cotton ginned for persons other than producers.

Sec. 303 Description and use of forms. (a) Gin reports. The ginner's report will be made on the following forms:

1. Form 516, Ginner's Record and Report. This form will be used by the ginner to list all bales of cotton ginned and remnants of cotton ginned for the producer which are not baled. Cotton ginned for producers and cotton ginned for persons other than producers will be reported on separate Forms 516. The form is also to be used in the county office for preparing extracts sent to other counties. The form also provides spaces in which the county office may enter the amount of cotton covered by the report, the total amount of cotton on extracts prepared in connection therewith, and the total amount of cotton reported for producers in the county.

2. Form 526, Report Of Seed Cotton. This form will be used by buyers of seed cotton (including the ginner) to record information with respect to each transaction in which seed cotton is marketed by the producer thereof. This form will also be used in the county office for preparing extracts sent to other counties in connection with seed cotton marketed by the producer.

3. Gin tickets. The originals or copies of gin bale tickets prepared by the ginner may be submitted in lieu of Forms 516 or 526, or both, for reports of cotton ginned for producers, for persons other than producers, or for seed cotton marketed by the producer to the ginner, provided that the ticket contains, with respect to each bale or lot of cotton for which it is submitted, the information required to be shown on Form 516 or 526 and that the gin ticket and the use thereof has been approved by the Agricultural Adjustment Administration for the ginner submitting the report.

4. Form 516-A, Ginner's Report And Certificate. This form will be used by the ginner, in the event his report consists in whole or in part of gin bale tickets, as a letter of transmittal and a schedule of the forms constituting the report and as his certification to the correctness of the report. The form, like Form 516, provides spaces in which the county office may enter the totals of the report, totals of extracts sent, and totals of cotton produced in the county.

(b) Form 551, Record Of Cotton Production. This form will be used to record the cotton produced on each farm as reported to the county office on gin reports and extracts received from other counties. Additional Forms 551 will be used as suspense accounts to which cotton which cannot be identified with any farm will be posted and as a balance sheet on which the total posted to farm records and suspense accounts will be recorded.

(c) Form 551-A, Record Of Transfers On Forms Cotton 551. This form will be used as a memorandum of transfers of amounts of cotton between different farm records or between farm records and suspense accounts within the county.

(d) Form 552, Summary Of Gin Reports. This form will be used to record for gin reports received from gins located in the county (1) the receipt of the gin reports; (2) the allocation of the gin reports to a balance period; (3) summary of the information contained on the gin reports and the disposition made of the cotton covered thereby, and (4) the current and cumulative totals by balance periods of the gin reports.

(e) Form 557, Letter Of Transmittal And Receipt For Gin Report Extracts. This form will serve as a letter of transmittal of and receipt for extracts on Forms 516, 526, and gin tickets

prepared for and received from other counties. For extracts sent to or received from another county, the form will also serve the same purpose that Form 553 serves for gin reports received from gins located in the county.

(f) Form 566, Period Summary And Report Of Cotton Production. This form will be used as a summary and report of all of the information on county office records pertaining to cotton production.

(g) Form 522, Report Of Cotton Produced. This form will be executed and filed with the county committee by the operator to whom issued and will be used in connection with county office records of cotton production for the purpose of verifying records on Forms 551 as prepared on the basis of gin reports and extracts.

(h) Form 417, Farm Operator's Report. This form will be executed and filed with the county committee by the operator to whom issued and will be used in connection with county office records of cotton production for the purpose of verifying records on Forms 551 as prepared on the basis of gin reports and extracts.

Sec. 304 Reimbursing ginner for postage expenses incurred. The treasurer of the county committee shall furnish each ginner with postage stamps to cover the expense of submitting gin reports. Since the amount of postage required for each report cannot be determined in advance, arrangements should be made with the ginner whereby the postage stamps may be furnished to him in advance to be used as the need arises, or whereby the ginner may be reimbursed from the administrative expense funds of the county committee for the postage expense incurred by him upon the basis of a detailed statement of such expenses presented to the county committee at the end of the season. Where postage stamps are furnished in advance, a postage account should be set up for each ginner and filed in the folder for the gin. The postage account should show (1) the value of the stamps advanced and (2) the value of the stamps used in transmitting each report. The portion of the envelope bearing the canceled postage stamps should, in the case of either method for reimbursing the ginner, be identified with the gin and the report number and filed in a folder to substantiate the postage account. Each ginner must give a receipt for any postage stamps advanced, which shall be filed in the folder for the gin to substantiate the postage account.

Sec. 305 Balance periods and contra entries. (a) Designation of balance periods. A balance period is the time from the 1st through the 15th or the 16th through the last day of each month during which any gin reports or extracts are received. Each balance period shall be designated by the date thereof. The name of the month and the first and last dates of the balance period shall be known as the balance period designation, as, for example, "November 16 through 30".

A serial number shall be assigned to each balance period beginning with number 1 for the first balance period and continuing thereafter in numerical sequence for each subsequent balance period. Each gin report shall be included within the balance period in which it is actually received; provided that the gin report is received by the county office within sufficient time before the expiration of the first 10 days of the balance period to allow all extracts to be prepared therefrom and sent to each county during or at the expiration of the first 10 days of the balance period, that is, on or before the 10th and the 25th of each month. If it is not possible to prepare and transmit the extracts to the other county offices at the expiration of the first 10 days of the balance period, the gin report shall be included in the balance period next succeeding the balance period in which it was actually received. The designation of the balance period in which a gin report is included and the serial number thereof shall be entered on each report on Form 516, 516-A, or 526 in the space provided therefor, as, for example, "October 1 through 15 - No. 4" or "October 16 through 31 - No. 5". Each gin report shall be assigned to a balance period in accordance with the rule outlined above notwithstanding the fact that the volume of work on hand in the county office may prevent the posting of the gin report to Forms 551 until a later date.

(b) Use of balance periods. Gin reports are assigned to balance periods for the purpose of (1) developing regular units of work in the county office on the basis of the time the gin reports are received rather than on the basis of the ginning periods covered thereby; (2) making the records and reports of cotton production for each county comparable to the records and reports of other counties; (3) enabling farm records, gin reports, and related accounts and records to be balanced at specified intervals during the course of the marketing year with reference to the progress of the work in connection therewith rather than at arbitrarily predetermined dates; and (4) making periodical reports to the State office of the status of the work in the county office.

(c) Use of contra entries. Contra entries shall be used in connection with the records of cotton production to indicate corrections in entries previously made. All contra entries shall be made in red and shall have the opposite effect of the usual or original entry; that is, in an operation where the usual or original entry was or will be added, the contra entry will be subtracted, and, in an operation where the usual or original entry was or will be subtracted, the contra entry will be added.

Sec. 306 Establishing files and records. (a) Assigning serial numbers to gins. The county committee shall ascertain the name and location of each gin situated in the county, the name and address of the owner and manager of the gin, and whether the gin

has equipment or machinery designed for ginning long staple cotton (roller gin stands). Consecutive serial numbers, beginning with number 1, for the gins shall be assigned for the purpose of identifying and filing the gin reports.

(b) Files for gin reports and extracts. Each gin report received from a gin located in the county shall be filed as a unit in a manila folder and the extracts received for a balance period from another county shall be filed as a unit in a separate manila folder. The folder for a gin report from a gin located in the county shall be labeled "1941 Gin Report" followed by a dash and the gin serial number and report number. The folder for extracts received for a balance period from another county shall be labeled "1941 Extracts Received From" followed by the name of the State and county and the transmittal number of the Form 557 accompanying the extracts. The gin report or extracts shall be fastened in the folder by an Acco fastener or other similar fastener. The portion of the gin report or extracts consisting of Forms 516, 516-A, and 526 shall be fastened to the left side of the folder (that is, the side with the tab for the label) with the fastener placed opposite and parallel to the fold. The portion of the report consisting of gin tickets shall be fastened to the right side of the folder. In order to conserve filing space, the tickets should be divided and fastened in the folder in two or three groups in serial number order. The tickets should be fastened in the folder so that the ticket serial number and information required to be reported for the farm will not be obscured or mutilated. The Forms 516, 516-A, and 526 placed in the folder shall be arranged in the following order: (1) Forms 516-A; (2) Forms 516 as submitted by the ginner for cotton reported for producers; (3) Forms 526 as submitted by the ginner for cotton reported for producers; (4) Forms 516 and 526 for extracts sent to other counties, arranged alphabetically by States and counties; (5) Forms 516 as submitted by the ginner for cotton ginned for persons other than the producer; and (6) Forms 516 and 526 covering cotton produced in prior years. The Forms 516 and 526 covering extracts received for a balance period from another county shall be arranged by gins in accordance with the numerical sequence of the gin serial numbers and report numbers. The gin tickets which are not forwarded to other counties as extracts shall be arranged in the numerical sequence of the printed serial numbers appearing thereon without regard to the county in which the cotton was produced and without regard to whether the tickets cover cotton ginned for producers, persons other than producers, or seed cotton marketed. Any supplemental reports on Forms 516 or 526, any late extracts, any canceled extracts, and any correspondence from a producer or the ginner which has the effect of altering any information contained in the report shall be fastened to the left side of the folder on top of the forms previously filed in the folder. The folders for reports received from a gin located in the county shall

be filed together in the numerical sequence of the gin report numbers. The folders for extracts received from another county shall be filed together in the numerical sequence of the transmittal numbers of the Forms 557 accompanying the extracts. The files for all gins shall be arranged together in the numerical sequence of the gin serial numbers and the files for extracts received from other counties shall be arranged together alphabetically by States and counties.

(c) Forms 553 for summary of cotton reported for producers.

Forms 553 for a summary of cotton reported for producers shall be prepared, prior to the beginning of the ginning season, for each balance period. The number of sheets of Form 553 to be prepared for each balance period should be the number required to list on separate consecutive lines the information for each gin in the county for each balance period, plus a sufficient additional number of lines on the same or additional sheets of Form 553 to allow for listing late reports, late extracts, and corrections. The initial preparation of the Forms 553 shall be as follows:

1. In the spaces provided on each Form 553 enter the name of the county and the designation of the balance period.

2. In column B on Forms 553 prepared for each balance period enter the serial number of each gin located in the county, beginning with gin serial number 1 on the first line and continuing in numerical sequence on succeeding lines. The additional number of lines for the balance period which were allowed for late reports, late extracts, and corrections shall not be executed until the need therefor arises.

3. Arrange Forms 553 in the numerical order of the balance period numbers and securely bind them in an Acco press binder or other similar binder.

(d) Forms 553 for summary of cotton ginned for persons other than producers. A Form 553 shall be prepared for each balance period for reports of cotton ginned for persons other than producers in the manner outlined in paragraph (c) except that the words "Cotton Ginned For Persons Other Than Producers" shall be entered above the title of each form so prepared. Forms 553 prepared for this purpose shall be filed in a separate Acco press binder or other similar binder in the numerical order of the balance period numbers.

(e) Forms 553 for individual gins for reports of cotton ginned for persons other than producers. A separate Form 553 shall be prepared, prior to the beginning of the ginning season, for each gin located in the county for the purpose of making comparisons between reports of cotton ginned for persons other than producers

and reports of seed cotton marketed. The initial preparation of the Forms 553 for this purpose shall be as follows:

1. In the spaces provided enter the marketing year and the name of the county.

2. In the space provided for the balance period enter the name of the gin and the gin serial number.

3. Above the title of the form enter the words "Comparison Of Seed Cotton Reports".

4. Alter the heading of column B to read "Gin Report No. and Balance Period No."

5. Alter the heading of column K to read "Cumulative Total of Col. I".

6. Alter the heading of column L to read "Cumulative Total of Col. J".

7. Arrange the Forms 553 so prepared in the numerical sequence of the gin serial numbers and place them in the binder prepared pursuant to paragraph (d) following the Forms 553 prepared under that paragraph.

(f) Forms 557 for extracts sent to other counties. A separate manila file folder shall be prepared for each county to which extracts will be sent. The folder shall be labeled "1941 Extracts Sent To" followed by the names of the State and county. The second copy of each Form 557 prepared in connection with extracts sent to the county shall be fastened to the right side of the folder by an Acco fastener or any other similar fastener. The copies of Form 557 shall be fastened in the folder in this manner in the inverse order of the transmittal numbers of the Forms 557. The original of each Form 557 which is returned to the county as a receipt for the extracts sent shall be fastened to the left side of the folder in the same manner. The folders for the various counties to which extracts are sent shall be filed together by States in alphabetical order.

(g) Forms 557 for extracts received from other counties. A separate manila file folder shall be prepared for each county from which extracts will be received. The folder shall be labeled "1941 Extracts Received From" followed by the names of the State and county. The first copy of each Form 557 in connection with extracts received from the county shall be fastened to the right side of the folder by an Acco fastener or any other similar fastener. The copies of Forms 557 shall be fastened in the folder in this manner in the

inverse order of the transmittal numbers of the Forms 557. The folders for the various counties from which extracts are received shall be filed together by States in alphabetical order.

(h) Forms 566. A separate manila file folder shall be prepared for the period summary and report of cotton production on Form 566. The folder shall be labeled "1941 Forms Cotton 566". The original of each Form 566 shall be fastened to the right side of the folder by an Acco fastener or any other similar fastener. Forms 566 shall be fastened in the folder in this manner in the inverse order of the balance period numbers.

(i) Records on Form 551. Forms 551 shall be prepared prior to the beginning of the ginning season as farm records of cotton production, suspense accounts, and balance sheets as follows:

1. A Form 551 shall be prepared for each farm for which a cotton acreage allotment was established. The initial preparation of the form shall be accomplished by entering, in the spaces provided, the marketing year, the farm serial number, and the name of the operator of the farm. The spaces in the expression "Card No. _____ of _____ Cards" will not be executed unless the lines on the front and reverse sides of the form are insufficient for the purpose of posting all cotton in connection with the farm and additional Forms 551 are prepared for the farm. Forms 551 shall also be prepared in the same manner for each farm for which a cotton acreage allotment was not established but on which cotton is planted during the current year.

2. If considered necessary by the auditor and county committee, there shall be entered on each Form 551, in the spaces provided, by the use of a stamp or typewriter, the normal yield, acreage allotment, planted acres, and actual yield for the farm.

3. A Form 551 shall be prepared as a suspense account for each gin in the county and for each county from which extracts will be received. The initial preparation of Form 551 for this purpose shall be accomplished as follows:

a. In the space provided enter the marketing year.

b. In the space provided for the farm serial number, enter the words "Suspense Account".

c. In the space provided for the name of the operator, if the suspense account is being prepared for a gin located in the county, enter the gin serial number, or, if the suspense account is being

prepared for extracts received from another county, enter the names of the State and county.

d. The blank spaces in the expression "Card No. _____ of _____ Cards" will not be executed unless the lines on the front and reverse sides of the suspense account are insufficient to permit the listing of all cotton to be posted to the particular suspense account and additional Forms 551 are prepared for this purpose.

3. A Form 551 shall be prepared as a balance sheet as follows:

a. In the space provided enter the marketing year.

b. In the space provided for the farm serial number enter the words "Balance Sheet".

c. Make no entry in the space provided for the name of the farm operator.

d. The blank spaces in the expression "Card No. _____ of _____ Cards" will be executed only when the lines on the front and reverse sides of the balance sheet are insufficient to list the necessary information for all balance periods and additional Forms 551 are prepared for this purpose.

4. Forms 551 prepared as outlined in items 1, 2, and 3 shall be kept in a post binder or posting tray or rack. The container must be put together or constructed so that there will be supports at the front and back thereof to hold the cards at the proper angle for efficiency in handling the cards. The supports for this purpose should be inclined away from the middle of the container and at approximately a 75 degree angle from the top of the desk or table on which the container is placed. The proper angle will cause the cards in front of the card to be posted to fall forward against the front and the cards in back of the card to be posted to fall backward against the rear support to form automatically a "V" shaped space between the cards to which the card being posted can be readily returned and be in its proper place in the container without the need for otherwise marking or holding or looking for the place. If only one person will be required to post to Forms 551, the Forms 551 shall be kept in a single container. If the volume of work in the county will require that two persons be engaged at the same time in posting to Forms 551, the Forms 551 shall be kept in two containers. The Forms 551

shall be placed in the container in the following order: (1) The balance sheet; (2) the farm records arranged in numerical order of the farm serial numbers; (3) the suspense accounts for gins located in the county arranged in the numerical order of the gin serial numbers; and (4) the suspense accounts for counties from which extracts are received arranged alphabetically by States and counties.

(j) Supplying ginner with forms and instructions. A supply of Forms 516 and 526 and, if the making of a report by submitting copies of gin tickets was approved for the gin, Forms 516-A, together with a copy of the regulations and Part VIII of these instructions, shall be furnished to each ginner located in the county, and the use and execution of the forms shall be explained to him in detail. The use the producers will make of Forms 417 and 522 in reporting cotton produced and ginned or sold in the seed should likewise be explained to the ginner so that he will understand the use of the form and, should the occasion arise, be in a position to assist the producer in connection with the preparation of the form. Copies of the regulations and instructions should be mailed to the ginner and a copy of the letter addressed to the ginner, showing the date of mailing, should be retained in the files of the county office. A supply of forms should be delivered personally to the ginner.

Sec. 307 Receiving and examining gin reports. (a) Record of the receipt of a gin report. A record of the receipt of each gin report shall be made on the Form 553 prepared for the balance period next succeeding the ginning period covered by the report notwithstanding the fact that the gin report is received during or included in a different balance period. The record shall be made by entering the date on which the report is received in column A of the Form 553 on the same line on which the serial number for the gin was previously listed in column B. The report number of the gin report, preceded by a dash, shall be entered on the same line in column B immediately following the gin serial number previously entered therein. For example, if gin report number 1 covering cotton ginned from September 1-15 is received from gin number 4 on September 19, the entry "Sept. 19" will be made in column A on the fourth line of the Form 553 established for balance period September 16-30, and, after the entry "4" which already appears in column B, the entry "- 1" will be made. The date received would be entered on the Form 553 for balance period September 16-30 even if the report was received too late to be included in that balance period.

(b) Examination of the gin reports. Immediately after the receipt of the gin report has been recorded on Form 553, the county office shall examine the gin report as follows to determine whether

it has been correctly prepared:

1. The examination of Forms 516 covering cotton ginned for producers shall be performed as follows:

a. The fact that the report covers cotton ginned for producers must be indicated by a check mark (✓) entered in the appropriate space in the schedule provided in the heading of the form.

b. The ginning period covered by the report must appear in the spaces provided.

c. The total number of sheets in the report and the sheet numbers must be verified. The total number of sheets shall include all the sheets of Form 516 for all kinds of ginning but shall not include the number of sheets of Form 526 in the report.

d. Part II must be properly executed by the ginner and must show therein the name of the gin, the location of the gin, and the number of sheets of Form 526 in the report.

e. The farm serial number or numbers for each bale, or lot of cotton if less than a bale, must appear in column A of Form 516.

f. The date of ginning should appear in column B.

g. The name of the farm operator must appear in column C.

h. The name of the producer, if other than the operator, must appear in column D. This column is of particular importance in the case of a farm for which an account is established on Form 450 or 450-A or in the case of multiple farms.

i. The name of the county and State in which the farm is located must appear in column E.

j. The gin bale number or mark must appear in column F for each bale. In cases where a bale of cotton was produced on two or more farms by a single producer, or by several producers, a separate line

on Form 516 will be required for the entries for each farm and for each producer thereon and the county office should encircle the bale number or mark appearing in column F and include within brackets () the entries in column H for the bale to indicate clearly that the several entries relate to a single bale of cotton. The gin bale numbers should be checked to determine that all bales ginned are in fact reported.

k. The serial number of the gin ticket or receipt issued to the producer with respect to a bale, or lot of cotton if less than a bale, must appear in column G. If the serial number of the ticket or receipt and the bale number are the same, the word "Same" may be entered in column G.

l. The gross weight of the bale (including bagging and ties) must appear in column H. Where a bale of cotton was produced on two or more farms by a single producer, or by several producers, the amount of cotton in each bale attributable to each farm and to each producer must appear on separate lines in column H and the entries included within brackets as provided in item j above.

m. In column I the ginner is required to enter "14" for a square bale if the bagging is made of cotton; "20" for a square bale if sugar bagging is used; and "3" for a round bale. The ginner is required to make no entry in column I for a square bale on which jute bagging was used. The county office must have knowledge of the types of bales ginned and the kinds of bagging and ties used by the ginner as a guide to assist in determining whether the execution of column I is understood by the ginner and is being executed correctly by him. Where a bale of cotton was produced on two or more farms, the weight of the bagging and ties shall be distributed proportionately among the several entries in column H and the amount of the bagging and ties attributed to each farm for the bale shall be entered on the line for the farm in column I by either the ginner or the county office and the several entries included in brackets () to indicate clearly that the several entries refer to a single bale.

2. The examination of Forms 526 to determine if they have been correctly prepared shall be performed as follows:

a. The name of the buyer or ginner and his full mail address must appear in the spaces provided and the certification of the buyer or ginner must be executed.

b. The sheet number and total number of sheets of Form 526 must appear in the space provided in the heading of each Form 526 and the total number of sheets must agree with the number of sheets of Form 526 referred to in Part II of Form 516 or 516-A for the related gin report.

c. The farm serial number must appear in column A.

d. The marketing card serial number must appear in column B.

e. The date on which the cotton was purchased or transferred should appear in column C.

f. The name of the operator of the farm on which the cotton was produced must appear in column D.

g. The name of the producer, if other than the operator, should appear in column E. This column is of particular importance in the case of a farm for which an account is established on Form 450 or 450-A or in the case of multiple farms.

h. The name of the county and State in which the farm is located must appear in column F.

i. The number of pounds of seed cotton must appear in column G.

j. The estimated or known number of pounds of lint in the seed cotton must appear in column H. The amount of the lint in column H should be compared with the number of pounds of seed cotton to determine, without making precise calculations, whether an obvious error has been made in estimating the amount of lint cotton. To make this comparison the county office must have knowledge of the usual percentages of turnout of the seed cotton in the area in which the farm is located.

3. In cases where the ginner is authorized to report by submitting copies of the gin bale tickets in lieu of Forms 516 and 526, the tickets and the Form 516-A accompanying them shall be examined as follows to determine whether they are in proper form:

a. The total number of gin bale tickets in the report shall be ascertained by counting them and the total number thereof must appear in column 1, item A of Part I of Form 516-A.

b. The serial numbers of the gin bale tickets shall be examined to determine that they are in consecutive order and that the first and last serial numbers thereof correctly appear in columns 2 and 3, respectively, of item A, Part I of Form 516-A. If any serial numbers in the consecutive series are missing, the missing serial numbers must be listed in column 4, item A of Part I of Form 516-A, and the ginner must account for their disposition. The last serial number, plus one, minus the first serial number of the gin bale tickets in the report should equal the number of tickets in column 1, item A of Part I of Form 516-A. Any mutilated or voided tickets must accompany the report.

c. Each gin bale ticket must be examined to determine that all information required to be reported with respect to each bale, or lot of cotton if less than a bale, and each transaction with respect to seed cotton marketed is correctly shown on the gin bale ticket. Each ticket covering cotton ginned for persons other than the producer must be identified by the word "Buyer" appearing in the space provided for the farm serial number.

d. The number of sheets of Form 516 submitted with the report must appear in item B, Part I of Form 516-A. If there are no Forms 516 in connection with the report, the word "None" must be entered.

e. The number of sheets of Form 526 submitted with the report must appear in item C, Part I of Form 516-A. If there are no Forms 526 in connection with the report, the word "None" must be entered.

f. The ginning period covered by the report must appear in item D, Part I of Form 516-A.

g. Form 516-A must be properly executed by the ginner and the name and location of the gin must appear in the spaces provided.

h. If the ginner requested a receipt for the report by submitting the original and copy of Form 516-A, the treasurer of the county committee should execute the original and copy of Form 516-A and deliver the copy so executed to the ginner.

4. The report on Form 516 or on gin bale tickets of cotton ginned for persons other than producers must be examined in every respect in the manner outlined in items 1 and 3 with the following exceptions:

a. There will be no farm serial number in column A of Form 516 and the word "Buyer" will appear on the gin bale ticket in lieu of the farm serial number.

b. The name of the person who acquired the cotton from the producer will be shown in the space provided for the name of the farm operator.

c. There will be no entry in the spaces provided for the name of the producer or the county and State in which the cotton was produced.

(c) Arrangement of gin tickets. As soon as the examination of a report consisting in whole or in part of gin tickets is completed, the tickets shall be separated into groups according to the counties in which the cotton was produced. The tickets covering cotton ginned for persons other than producers shall at the same time be placed in a separate group. The tickets for each county shall then be arranged in the numerical order of the farm serial numbers. In arranging gin tickets in the numerical order of the farm serial numbers, the following procedure shall be observed: First, the tickets shall be sorted into groups so that the tickets for farms with serial numbers from 1 to 100 will be in one group, the tickets for farms with serial numbers from 101 to 200 will be in a second group, and so on for the farm serial numbers in each numerical sequence of 100 numbers; second, the tickets in each numerical group resulting from the first operation shall then be sorted into groups so that the tickets for farms with serial numbers from 1 to 10

will be in one group, the tickets for farms with serial numbers from 11 to 20 will be in the second group, and so on for farm serial numbers in each numerical sequence of 10 numbers in the group; third, the tickets in each numerical group resulting from the second process will be arranged in numerical order.

Sec. 308 Procedure in connection with errors in gin reports. (a) Nature of errors. Errors in connection with gin reports are of three general kinds; namely, substantive, procedural, and technical. Substantive errors are those affecting the weight of any cotton covered or required to be covered by the report and include, but are not limited to, the omission of a bale weight, the omission of the estimated or known amount of lint in seed cotton marketed or cotton ginned and not baled; and errors in reporting the weight of a bale, seed cotton marketed, or the estimated or known amount of lint in seed cotton marketed by the producer or ginned for him and not baled. The failure of the ginner to execute the ginner's certificate in Part I of Form 516-A or Part II of Form 516 is also a substantive error. Procedural errors are those affecting the identity of the cotton covered by the report and include, but are not limited to, the omission of a farm serial number, the omission of the name of an operator or producer or other person for whom the cotton was ginned or who marketed seed cotton; the names of the county and State in which the farm on which the cotton was produced is located; the gin bale number or mark; the serial number of the gin ticket or receipt issued by the gin in connection with the cotton; and errors in reporting any of the foregoing information for any bale or lot of cotton. The failure to report the marketing card serial number in connection with seed cotton marketed by producers is also a procedural error. Technical errors are those affecting a description of the report and include, but are not limited to, the omission of the ginning period designation; the omission of the sheet number and total number of sheets of Forms 516 or 526 as required to be reported thereon; the omission of the date on which the cotton was ginned or seed cotton was marketed; errors in reporting any of the foregoing information; and an omission or error in items A, B, and C of Part I of Form 516-A which may be corrected in the county office on the basis of the facts reflected by a gin report which is otherwise correctly prepared.

(b) Procedure in connection with substantive errors. Any substantive error affecting the weight of cotton covered by a gin report shall be corrected only by a supplemental report on Form 516 or 526 from the ginner showing the correct weight for the cotton. If a patent error in reporting the weight of any cotton was made by the ginner, the information shall be

deleted from Form 516 or Form 526 or the gin bale ticket shall be eliminated from the report and the amount of such cotton shall not be included in the totals of cotton reported by the gin or on farm records or other county office records unless and until the supplemental report is received. The ginner shall be requested by a letter to make any supplemental reports which are found to be necessary. If the information for a bale or lot of cotton is not reported (this will generally be evidenced by the omission of a gin bale number or gin bale ticket), the ginner shall be requested to submit a supplemental report covering the cotton or requested to explain the reason for failing to use the gin bale number or gin bale ticket. If the ginner fails to execute his certification in Part II of Form 516 or in Part I of Form 516-A he shall be requested to execute the certification on the forms submitted or, if this may not be done conveniently, by executing the certification on a separate Form 516 or 516-A prepared in the county office to refer specifically to and clearly identify the particular gin report for which the certification is made. The gin report shall not be returned to the ginner for this purpose.

(c) Procedure in connection with procedural errors. Any procedural error affecting the gin bale number or gin ticket serial number shall be directed to the attention of the ginner and he shall be requested to advise the county office by a letter of the correct bale number or ticket serial number. The posting of the cotton to appropriate records of cotton production will not be affected by any error of this kind. The correction of the report in this respect may also be accomplished by submitting a new Form 516 or 526, although this is not required. In the case of any omitted marketing card or certificate serial number in connection with reports of seed cotton marketed, the ginner shall be advised by letter of the omission and requested to furnish the serial number and, if the ginner was the buyer of the cotton, also advised that it shall be presumed that the cotton was not identified by the producer at the time of sale and that, if the serial number is not furnished, the buyer's report on Form 530 and the marketing penalty on the cotton must be submitted to the treasurer of the county committee not later than 15 days after the date of the purchase. The posting of the cotton to the appropriate records of cotton production will not, however, be affected. Any other procedural error affecting the identity of cotton covered by the gin report shall be handled as follows:

1. The amount of the cotton shall be included in the total of the gin report and the cotton shall be posted to the suspense account, rather than to a farm record, pending the correction of the error.

2. After the cotton is posted to the suspense account, the producer shall be advised of the fact by letter and a copy of the letter should be forwarded to the ginner. If it is not possible to identify the producer for whom the cotton was ginned, the ginner shall be so advised and requested to advise the county office by a letter of the necessary additional information. The letter to the producer shall (1) set forth the information for the cotton as reported by the ginner, (2) explain that the cotton cannot be credited as production to the farm unless the producer furnishes the ginner with the information necessary to enable him to submit the correct information for the cotton, (3) provide a schedule at the end thereof in which the ginner may insert and certify the correct information or supply the missing information, and (4) advise the producer that when the ginner returns the letter with the schedule properly executed, the cotton will be credited to the proper farm.

3. When the letter or letters correcting the error are received in the county office, the cotton shall be removed from the suspense account and posted to the appropriate farm record. The letters shall be filed in the folder provided for the gin report.

(d) Procedure in connection with technical errors. Technical errors shall be corrected by the county office unless the circumstances indicate that additional information is necessary in order to make the correction.

Sec. 309 Computing the net weight of each bale. The net weight of each bale reported on Form 516 for producers shall be computed by subtracting the weight of the tare entered in column I from the gross weight of the bale entered in column H and shall be entered in column J. If no weight of tare is shown in column I for the bale, jute bagging is indicated and 21 pounds will be subtracted. In such cases it is not necessary for the county office to enter the figure "21" in column I for each bale. The net weight of each bale reported on gin tickets for producers shall be computed in the same manner and entered in the space provided on the ticket.

Sec. 310 Preparing extracts of gin reports. (a) Extracts on Forms 516 and 526. The county office for the county in which a gin is located shall prepare in duplicate on Forms 516 and 526 extracts of the information contained in the gin report for cotton produced in other counties. A separate extract for each period for each of the other counties shown in column E of Forms 516, or on the gin bale ticket, and column F of Forms 526 shall be prepared for each gin report. Extracts shall be prepared only for cotton reported for producers. The extracts must be prepared as soon as possible after the ginner's report is received. In case the gin report is

made by submitting copies of the gin bale tickets, the extracts shall be prepared as outlined in paragraph (b) of this section or by listing on Forms 516 and 526 the information contained in the gin bale tickets covering cotton produced on farms located in other counties. The following information shall be entered on each extract on Form 516 and 526:

1. Above the title of the form enter the words "Extract From" followed by the names of the State and county in which the gin is located and the State and county code number therefor.

2. In the spaces provided on each Form 516, and beneath the title of Form 526, enter the ginning period covered by the gin report from which the extract is prepared.

3. In the spaces provided on Forms 516 and 526 enter the sheet number and total number of sheets of each form, respectively, which will be required to list the information for the farms located in the county for which the extract is prepared. In preparing extracts on Forms 526, the Forms 526 executed by different buyers or transferees or ginnerers must not be combined.

4. The information appearing in columns A through J of Form 516; or in the gin bale tickets, and in columns A through H of Form 526, for the farms located in the county for which the extract is prepared shall be transcribed exactly as it appears on the original (or supplemental) Form 516 or 526 or the comparable information appearing in the tickets received from the ginner. Columns I and J of each extract on Form 516 must be executed to show respectively the weight of the bagging and ties and the net weight of the cotton.

5. The name and location of the gin in Part II of Form 516 and the name and address of the buyer or transferee or ginner on Form 526 shall be transcribed in the spaces provided on the extract.

(b) Extracts on Forms 516-A. In case the gin report is made by submitting copies of the gin bale tickets and such tickets are to be transmitted as extracts to the county in which the cotton covered by the tickets was produced, the data shown on the tickets shall be summarized on a Form 516-A, in duplicate, as follows:

1. Above the title of the form enter the words "Extract From" followed by the names of the State and county in which the gin is located and the State and county code number therefor.

2. In column 1 of Part I enter the number of gin tickets to be transmitted.

3. In the spaces provided in Part I enter the name and location of the gin and the date on which the certificate was executed by the ginner.

4. On line 5 of Part III enter the gin serial number, the gin report number, and the balance period designation.

5. List the serial numbers of the gin tickets on a separate sheet prepared in duplicate and, after the information contained in the tickets has been summarized as provided in paragraph (c) of Sec. 311, attach the original of the list to the original of Form 516-A for transmittal, with the gin tickets, to the county in which the cotton was produced. The copy of the list shall be attached to and filed with the copy of Form 516-A.

Sec. 311 Recording the totals of gin reports and extracts by balance periods. (a) Addition of gin reports and extracts on Forms 526. On the last page of Forms 526 for the gin report and for each extract in connection therewith enter the total of column H for the gin report and each extract.

(b) Addition of gin reports and extracts on Forms 516 covering cotton ginned for producers. In Part III, on the last sheet of Form 516 of the report of cotton ginned for producers and on the last sheet of Form 516 in the extract to be sent to each county in connection with the gin report, enter the respective totals of the report and extract in the following manner:

1. On line 1 in columns A, B, C; and D enter, respectively, as indicated by the entries in column I, Part I of Form 516; the total number of square bales on which jute bagging was used, the number of square bales on which cotton bagging was used, the number of square bales on which sugar bagging was used, and the number of round bales.

2. On line 1, column H, enter the sum of the amounts in column H, Part I of Form 516.

3. On line 1, column F, enter the weight of the bagging and ties, which shall be the sum of the results obtained as follows:

a. The entry in column A multiplied by 21 pounds.

b. The entry in column B multiplied by 14 pounds.

c. The entry in column C multiplied by 20 pounds.

d. The entry in column D multiplied by 3 pounds.

4. On line 1, column G, enter the added total (not computed by subtracting the entry in column F from the entry in column E) of column J, Part I of Form 516.

5. On line 1, column H, enter the sum of the entries in column H of the related Form 526.

6. On line 1, column I, enter the sum of the entries in columns G and H.

7. For all cotton reported for farms located in counties other than the county in which the gin is located, enter on line 2 of Part III in columns A through I of the gin report (and not on extracts) the information indicated by the columnar headings. The information for cotton reported for farms located in other counties shall be determined in the manner outlined in items 1 through 6 above. The entries for such cotton shall be determined from the information appearing on the gin report and shall not be determined by taking the sum of the totals of the several extracts prepared in connection with the gin report. No entry will be made on line 2, Part III of the extracts on Forms 516.

8. On line 3 in columns A through I for the gin report (and not on the extracts) enter the result obtained by subtracting the entry on line 2 from the entry on line 1 for each such column.

(c) Addition of gin reports consisting in whole or in part of gin bale tickets. If Forms 526 accompany the gin report made on gin bale tickets, the Forms 526 shall be totaled separately, as outlined in paragraph (a) of this section. If Forms 516 covering cotton ginned for persons other than producers accompany the gin report made on gin bale tickets, the totals for the cotton covered by such Forms 516 shall be determined as outlined in paragraph (e) of this section. That portion of the gin report consisting of gin bale tickets and of Forms 516 for cotton ginned for producers shall be totaled and the totals for the entire report shall be entered in Part III of Form 516-A in accordance with the following procedure:

1. The totals for cotton reported for farms located in the county, as shown on gin bale tickets, Forms 516, and Forms 526, shall be recorded on line 3, Part III of Form 516-A. The gin bale tickets for cotton reported for farms in the county will be separated from the gin bale tickets covering other cotton as a result of the procedure outlined in Sec. 307(c). The totals for such cotton shall be entered on line 3, Part III of Form 516-A, as follows:

a. In columns A, B, C, and D, respectively, enter the total number of square bales on which jute bagging was used, the total number of square bales on which cotton bagging was used, the total number of square bales on which sugar bagging was used, and the total number of round bales.

b. In column E enter the sum of the following: (i) The gross weight of the bales of cotton reported on gin bale tickets, and (ii) the sum of the amounts in column H of Part I of Form 516 for cotton ginned for farms located in the county.

c. In column F enter the weight of the bagging and ties for the bales recorded in columns A, B, C, and D on line 3, which shall be the sum of the results obtained as follows: (i) The entry in column A multiplied by 21 pounds; (ii) the entry in column B multiplied by 14 pounds; (iii) the entry in column C multiplied by 20 pounds; and (iv) the entry in column D multiplied by 3 pounds.

d. In column G enter the sum of the following: (i) The net weight of the bales of cotton reported on gin bale tickets and (ii) the sum of the amounts in column J of Part I of Form 516 for cotton reported for farms located in the county.

e. In column H enter the sum of the following: (i) The sum of the amounts of the estimated or known lint in seed cotton, as reported on gin bale tickets (including toll cotton), and (ii) the sum of the amounts in column H of Forms 526 for farms located in the county.

f. In column I enter the sum of the amounts in columns G and H.

2. The totals for cotton reported for farms located in other counties, as shown on gin bale tickets, Forms 516, and Forms 526, shall be recorded on line 2, Part III of Form 516-A. The gin bale tickets for cotton reported for farms in other counties will be separated from the gin bale tickets covering cotton for farms located in the county as a result of the procedure outlined in Sec. 307(c). The entries on line 2 of columns A through I of Part III of Form 516-A shall be determined for cotton reported for farms located in other counties in the manner outlined in item 1 above. The entries on line 2 of columns A through I of Part III of Form 516-A shall be determined by adding these entries as they

appear on the gin bale tickets or Forms 516 and 526, and shall not be determined by taking the sum of the totals entered on line 1, Part III of the extracts on Forms 516 prepared in connection with the report.

3. The information contained in the gin tickets which are to be transmitted as extracts of cotton produced in other counties shall be summarized in Part III of Form 516-A prepared as outlined in paragraph (b) of Sec. 310.

4. On line 1, Part III of Form 516-A enter in columns A through I the sum of the entry on line 2 and line 3 for each such column.

(d) Proving totals of the gin report and extracts. The totals in columns A through I of Part III of Forms 516 and 516-A for cotton reported for producers shall be proved in the following manner:

1. The sum of the entries in columns A, B, C, and D on line 1 in Part III of each Form 516 or 516-A must equal the total number of bales ginned for producers which were included in the particular gin report or particular extract.

2. The entry in column G on each line of Part III of each Form 516 or 516-A must be equal to the result obtained by subtracting the entry on the same line in column F from the entry on the same line in column E.

3. The sum of the entries in each column of Part III of the extracts on Forms 516 prepared in connection with a gin report must be equal to the entry on line 2 of the corresponding column of Part III for Form 516 or 516-A for such gin report.

(e) Adding gin reports of cotton ginned for persons other than producers. The totals for cotton ginned for persons other than producers shall be recorded on line 1 of Part III of the last sheet of Forms 516 covering such cotton if the gin report is not made by submitting gin bale tickets. If the gin report consists, in whole or in part, of gin bale tickets, the totals for such cotton shall be recorded on line 4 of Part III of the Form 516-A for the report. The entries in the appropriate columns on line 1, Part III of Form 516, or on line 4, Part III of Form 516-A, as the case may be, shall be determined as follows:

1. In columns A, B, C, and D, respectively, enter the total number of square bales on which jute bagging was used, the total number of square bales on which cotton bagging was used, the total number of square bales on which sugar bagging was used, and the total number of round bales.

2. In column E enter the gross weight of the bales of cotton.

3. In column F enter the weight of the bagging and ties, which shall be the sum of the result obtained as follows:

a. The entry in column A multiplied by 21 pounds.

b. The entry in column B multiplied by 14 pounds.

c. The entry in column C multiplied by 20 pounds.

d. The entry in column D multiplied by 3 pounds.

4. In column G enter the result obtained by subtracting the entry in column F from the entry in column E.

(f) Assigning the gin reports and extracts to a balance period. If the work in the county office in connection with the examination and computation of a gin report and the preparation and computation of extracts in connection therewith is completed at any time within the period from the 11th to the 25th of any month, both dates inclusive, the gin report shall be assigned to the balance period for the 16th through the last day of that month, and, if the work is completed at any time within the period from the 26th of any month to the 10th of the next month, both dates inclusive, the gin report shall be assigned to the balance period for the 1st through the 15th of the latter month. Each extract, except late extracts as defined in Sec. 318, prepared in connection with a gin report shall be assigned to the balance period to which the gin report was assigned. The balance period designation for the balance period to which each gin report and the extracts in connection therewith are assigned shall be entered on Form 516 or 516-A in the manner outlined in Sec. 305(a).

(g) Preliminary execution of Form 557 for extracts included in a balance period. A separate letter of transmittal on Form 557 shall be prepared for each balance period for each county to which extracts included in the balance period will be sent or to which extracts included in any previous balance period were sent. The letter of transmittal so prepared shall accompany all extracts sent to the county for the balance period. The Form 557 shall be prepared in triplicate as follows:

1. In the spaces provided, enter the marketing year, the name of the person to whom the extract will be sent (that is, the

name of the receiving officer), his address (that is, the names of the town, State, and county), the name of the sending officer (that is, the name of the treasurer or the secretary of the county committee for the county in which the extracts are prepared), his address (that is, the names of the town, State, and county), and his title.

2. In the space provided, enter the balance period designation of the balance period for which the Form 557 is prepared.

3. In the space provided, enter the transmittal number of the letter of transmittal, which shall begin with number 1 for the first letter of transmittal sent to the county and continue thereafter in numerical sequence for each subsequent letter of transmittal sent to that county. A separate series of transmittal numbers shall be established in this manner for each county to which extracts will be sent.

4. The Form 557 so prepared for each county shall be placed in a folder, labeled "Pending Extracts" followed by the name of the county to which the extracts are to be sent, pending the preparation of the extracts and the closing of the balance period.

(h) Recording extracts on Forms 557. As soon as an extract for any county is prepared and computed, the information in connection therewith shall be recorded in Part I of the letter of transmittal on Form 557 for the county as follows:

1. In column A enter the gin serial number and report number of the gin report in connection with which the extract is prepared. All extracts to be sent to the county and included in the balance period shall be listed in Part I of Form 557 on separate consecutive lines in the order in which prepared.

2. The information appearing on line 1 of columns A through I of Part III of Form 516 or 516-A for each extract shall be entered in the corresponding columns B through J of Part I of Form 557 opposite the gin serial number and report number of the extract in column A of Form 557.

3. If extracts in connection with more than 10 gin reports will be sent during any balance period to a single county, a sufficient number of additional Forms 557, marked "Continuation Sheet", shall be used and the information for the extracts shall be listed therein in the manner outlined in items 1 and 2.

4. The original of the extract shall be placed in the folder with the Form 557 for the balance period pending the preparation of all other extracts included in the balance period to be sent to the county.

(i) Recording the gin report on Form 553 for cotton reported for producers. The portion of each gin report covering cotton reported for producers shall be recorded on the Form 553 prepared, in accordance with Sec. 306(c), for the balance period to which the gin report is assigned. In the initial preparation of Forms 553, in the manner outlined in Sec. 306(c), a line of Form 553 for each balance period was reserved for the gin report which should be received from each gin and included in the balance period. The receipt of the gin report is recorded on that line in columns A and B of the Form 553 in accordance with Sec. 307(a). The gin report will be included in that balance period except in the following cases: (1) The ginner fails to submit the gin report within the time limits prescribed and the gin report is thereby required to be included in some subsequent balance period; or (2) the gin report is received within the time limits prescribed for making the report and the volume of work in the county office prevents the examination and computation of the report and the preparation of extracts in connection therewith in time for it to be included in the balance period in which it is actually received. In the event of either of the exceptions, columns C through F of the line reserved on the Form 553 as outlined above must be canceled by entering the expression "Assigned to balance period" followed by the designation of the balance period in which the report is included. The report must in that event be recorded on the Form 553 for the balance period in which it is included on the additional lines thereof not reserved for reports regularly received and included in that balance period. The record on Form 553 for each gin report shall be made as follows:

1. In columns A and B, respectively, enter the date of receipt of the gin report and the gin number and report number. In the case of gin reports regularly received and included in a balance period, these entries in columns A and B will have been made previously in accordance with Sec. 307(a).

2. In columns C through K, respectively, of Form 553 enter the comparable information on line 1 in columns A through I of Form 516 or 516-A.

3. In column L of Form 553 enter the amount on line 2, column I, Part III of Form 516 or 516-A.

4. In column M of Form 553 enter the amount on line 3, column I, Part III of Form 516 or 516-A.

(j) Recording the gin report on Form 553 for cotton ginned for persons other than producers. The portion of each gin report covering cotton ginned for persons other than producers shall be recorded on Form 553 prepared, in accordance with Sec. 306(d), for

the balance period to which the gin report is assigned in the manner outlined in paragraph (i), with the following exceptions:

1. In columns C through I, respectively, of Form 553, enter, in the case of Form 516, the comparable information on line 1 in columns A through G of Part III of the Form 516, or, in the case of a gin report consisting in whole or in part of gin bale tickets, the comparable information on line 4 in columns A through G of Part III of the Form 516-A.

2. Make no entries in the remaining columns of Form 553.

(k) Recording the reports of cotton ginned for persons other than producers on Forms 553 for individual gins. The Form 553 prepared for a gin pursuant to Sec. 306(e) for the purpose of making a comparison of seed cotton reports shall be executed as follows:

1. In column A, on separate consecutive lines for each gin report, enter the date on which the gin report was received.

2. In column B enter the report number followed by a dash and the serial number of the balance period to which the gin report was assigned.

3. In column I enter the amount from column G of line 1 of Part III of the Form 516 covering the cotton ginned for persons other than producers, or the amount from column G of line 4 of Part III of the Form 516-A.

4. In column J enter the amount from column H of line 1 of Part III of the Form 516 covering cotton ginned for producers or from column H of line 1 of Part III of Form 516-A.

5. In column K enter the sum of the following: (1) The entry in column I for the gin report and (2) the entry in column K for the immediately preceding gin report.

6. In column L enter the sum of the following: (1) The entry in column J for the gin report and (2) the entry in column L for the immediately preceding gin report.

7. Make no entries in the remaining columns of Form 553.

8. The entry in column K shall be compared from time to time with the entry in column L in order to determine whether the records of seed cotton marketed and the reports of cotton ginned for persons other than producers are comparable. If it appears that the reports are not comparable for any reason other than the natural seasonal variation or lag, the ginner should be requested to explain the reason therefor and to make any necessary additional reports.

Sec. 312 Closing the balance period. (a) Time for closing the balance period. The last day of a balance period shall be the day on which it is closed; that is, the 15th or the last day of each month, and an extract received from another county or a gin report may be included in the balance period on that date or at any time prior thereto, with the exception that a gin report from which extracts are to be prepared shall not be included in a balance period after the expiration of the first 10 days of the balance period. When the balance period is closed it shall not be re-opened to include any gin report, supplemental gin report, extract, late extract, canceled extract, correction, or other transaction in connection with gin reports.

(b) Period and cumulative totals of letters of transmittal. The balance period and cumulative totals of letters of transmittal on Form 557 prepared in accordance with paragraphs (g) and (h) of Sec. 311 for a balance period shall be computed and entered on the Form 557 on the 10th day of each month and the 25th day of each month as follows:

1. The total of columns B through J of Part I of Form 557 for the balance period shall be entered on line 11 of Part I. If no extracts are to be sent to the county for the balance period, the word "None" shall be entered on line 11 of Part I of Form 557.

2. In columns B through J of Part II enter the information for canceled extracts in accordance with Sec. 320.

3. In columns B through J, respectively, of Part III enter the totals for these columns as shown in Part IV of the Form 557 prepared for the county for the immediately preceding balance period.

4. In columns B through J of Part IV of Form 557 enter the result obtained by subtracting for each column the entry in Part II from the entry on line 11 of Part I and adding to the difference so obtained the entry in Part III.

(c) Mailing extracts to other counties. On the 10th day, or between the 5th and 10th days, of each month and on the 25th day, or between the 20th and 25th days, of each month, extracts prepared for a county shall be mailed to it accompanied with the original and first copy of the Form 557 covering the extracts. The Form 557 shall be properly signed by the sending officer before it is mailed. If no extracts are prepared for a county for a balance period, the Form 557 prepared for that balance period shall nevertheless be signed and forwarded to the county. The second copy of Form 557 so executed shall be filed on the right side of the folder prepared for that purpose and the original, when returned by the receiving officer, shall be filed on the left side of the folder.

(d) Period and cumulative totals of Forms 553. When the balance period is closed, the respective totals of columns C through M of the Forms 553, prepared pursuant to paragraphs (c) and (d) of Sec. 306, shall be entered on the line designated by the words "Current total". The entries on the line designated by the words "Cumulative total" of the Form 553 for the immediately preceding balance period shall be transcribed to columns C through M on the line designated by the words "Previous total". On the line designated by the words "Cumulative total" enter in columns C through M the sum of the entries in each column on the lines designated by the words "Current total" and "Previous total".

Sec. 313 Receiving extracts from other counties. (a) Examination of extracts and Forms 557 received from other counties. On the day, or not later than the close of the next succeeding business day, on which extracts and Forms 557 are received from another county, the extracts and Forms 557 shall be examined and corrected as follows:

1. The extract in connection with each gin report shall be added to determine that the information in Part III of the Form 516 or 516-A is correct.

2. The information in Part I of the Form 557 shall be compared with Part III of Form 516 or 516-A for each extract to determine that the totals for the extract have been correctly transcribed to Form 557.

3. The totals on line 11 of Part I of Form 557 shall be verified.

4. Part II of Form 557 shall be verified as outlined in Secs. 319 and 320.

5. The information in Part III of Form 557 must be the same as that shown in Part IV of the Form 557 received from the county for the immediately preceding balance period.

6. The entries in columns B through J of Part IV of the Form 557 must be equal to the result obtained by subtracting for each column the entry in Part II from the entry on line 11 of Part I and adding to the difference obtained the entry in Part III.

7. Any errors in the addition of an extract, or on Form 557, shall be corrected by circling the incorrect entry and entering above it the correct amount.

(b) Balance periods for extracts received. Each extract received from another county shall be included in the balance period shown on the accompanying Form 557 with the single exception that, if the extract is received after the balance period shown on Form 557 is closed, the extract shall be included in the next succeeding balance period. In the latter event, the balance period shown on the original and copy of the Form 557 as received shall be circled and the designation of the next succeeding balance period shall be entered above it.

(c) Acknowledging receipt of extracts. The original and copy of Form 557 shall be signed by the treasurer or secretary of the county committee as the receiving officer and the date of his signature and his title shall be entered in the spaces provided. The original of Form 557 shall be returned to the sending officer. If any corrections or changes were made in the extracts or letter of transmittal, other than the balance period designation, the original of the Form 557 shall be accompanied by a letter setting forth the reasons for the corrections and requesting that the corrections be confirmed by return mail. The first copy of the Forms 557 for extracts received shall be retained in the county office and filed in the folder prepared for that purpose.

Sec. 314 Posting gin reports and extracts received. (a) Posting units and codes. For the purpose of posting to Forms 551 and for balancing, the following posting units and codes shall be used:

1. Each gin report received from a gin located in the county shall be considered as a posting unit. The posting code for such a unit shall be the serial number of the gin, the report number, and the balance period number, as, for example, if report number 3 from gin number 16 is included in balance period number 4, the posting code would be "16-3-4".

2. The group of extracts covered by a letter of transmittal on Form 557 received from a county for a balance period shall be considered as a posting unit. The posting code for such a unit shall be the county code number of the county, the transmittal number of the Form 557, and the serial number of the balance period in the receiving county, as, for example, if the transmittal number of the Form 557 is number 5, the code number for the county from which it is received is 047, and the serial number of the balance period in which it is included in the receiving county is number 6, the posting code would be "047-5-6".

(b) Posting to farm records and suspense accounts. The cotton reported on gin reports for producers or on extracts received from other counties shall be posted to either the farm record or the suspense account. All bales or lots of cotton for which a farm serial number is shown on the gin report or extract shall be posted to the Form 551 established for the farm to which that serial number was assigned unless the name of the operator or producer as shown on the gin report or extract indicates that the cotton was produced on a different farm. If a bale or lot of cotton cannot be posted to a farm record in keeping with the foregoing rule, then the cotton shall be posted to the suspense account for the gin from which the report was received or, in the case of an extract received from another county, to the suspense account for the county from which the extract was received. The posting clerk shall post each bale or lot of cotton to either the farm record or the suspense account in accordance with the facts shown by the gin report or the extract and shall not, at the time of posting the report or extract, interrupt the posting routine by examining other records of the county office in an effort to allocate the cotton to a farm account rather than the suspense account or to determine, in the case of multiple farms, whether the gin report or extract shows the correct multiple farm serial number. When an entry has been made on a Form 551, the card shall be returned to its proper numerical place with other cards in the card container and placed therein so that the right portion of the card will extend beyond the margin of other cards to which no entry has been made from the posting unit. The information shall be transcribed from the gin report or extract to Forms 551 as follows:

1. The information for each bale or lot of cotton shall be listed horizontally in columns A through H, that is, the information for the first bale or lot of cotton posted to one Form 551 from a posting unit will be listed on line 1 in columns A and B; the second bale posted to that Form 551 from the same posting unit will be listed on line 1 in columns D and E; the third bale in columns G and H; and the fourth, fifth, and sixth bales will be listed on line 2 and so forth. The information for each posting unit will be listed on separate consecutive lines and the information for two or more posting units shall not be listed on the same line.

2. The entries for each bale of cotton shall be made on Form 551 as follows:

a. In column A, D, or G enter the gin bale number or mark from column F of Form 516 or from the gin bale ticket.

b. In column B, E, or H enter the net weight of the bale as shown in column J of Form 516 or as computed and entered in the space provided on the gin bale ticket.

c. If the "Gross weight" system is used, enter in column C, F, or I the weight of the bagging and ties for bales other than those on which jute bagging was used. Make no entry in these columns for jute bagging bales. If the "Net weight" system is used, make no entries in these columns.

3. The entries for each lot of cotton other than a bale, as reported on Forms 516 or on Forms 526 or on gin bale tickets in lieu thereof, shall be made on Form 551 as follows:

a. In column A, D, or G make no entry.

b. In column B, E, or H enter the estimated or known weight of the lint in the seed cotton as shown in column H of Form 516 or in column H of Form 526 or in the space provided therefor on the gin bale ticket.

c. In column C, F, or I enter an "S".

(c) Extension of totals on Form 551. As soon as the posting to Forms 551 of each bale or lot of cotton covered by a posting unit is completed, the totals for each Form 551 to which cotton was posted shall be extended to columns J through N, opposite the last bale or lot of cotton recorded, as follows:

1. In column J enter the posting code for the posting unit.

2. In column K enter the sum of the amounts of cotton entered in columns B, E, and H for the posting unit.

3. In column M enter the sum of the following: (1) The entry in column K for the posting unit and (2) the entry in column M for the immediately preceding posting unit.

4. Make no entries in columns L and N unless the gross weight system described in Sec. 321 is used.

(d) Balancing totals by posting units. Each posting unit must be balanced before any entries are made on Forms 551 for any other posting unit. A posting unit is balanced when the sum of the entries posted to Forms 551 is equal to the net weight of the cotton covered by the gin report, as shown on line 3, column I of Part III of Form 516 or 516-A, or when the sum of the entries posted to Forms 551 is equal to the net weight of the cotton covered by the extracts received for the balance period from another county, as shown on line 11, column J of Part I of Form 557. Proof that the posting unit is balanced shall be determined by the "plus-minus" method. The "plus-minus" method consists of taking for all active Forms 551 (that is, farm records and suspense accounts to which cotton was posted from the posting unit) a total obtained as a result of subtracting from the entry in column M for the current posting unit the entry in column M for the immediately preceding posting unit. The total so obtained must be equal to the net weight of cotton covered by the gin report or the extracts comprising the posting unit. The procedure for proving the balance by the "plus-minus" method is as follows:

1. If an adding machine with direct subtraction is used, the "plus-minus" total shall be taken in one adding machine operation for all active Forms 551 by placing in the adding machine for each active Form 551 the figure in column M for the current posting unit as a positive or plus amount and the figure in column M for the immediately preceding posting unit as a negative or minus amount. If an adding machine without direct subtraction is used, the "plus-minus" total shall be taken in two adding machine operations as follows: (1) By taking a total of the entries in column M for all active Forms 551 for the current posting unit, (2) by taking a total of the entries in column M for all active Forms 551 for the immediately preceding posting unit, and (3) by subtracting the second total from the first total.

2. If the "plus-minus" total obtained under item 1 above is not equal to the entry on line 3, column I, part III of Form 516 or 516-A, or the entry on line 11, column J, Part I of Form 557, as the case may be, the total of the entries for the current posting unit in column K of all active Forms 551 must be determined. (Note: This total of column K will, of course, not be made until it is determined that the difference is not due to mechanical errors in operating the adding machine in taking the "plus-minus" total.) If this total of column K is equal to the entry on line 3, column I, Part III of Form 516 or 516-A, or the entry on line 11, column J, Part I of Form 557, as the case may be, an error was made in computing the cumulative totals in column M of the active Forms 551 for the current posting unit. If this total of column K is equal to the "plus-minus" total, an error has been made (1) in transcribing the entries in columns B, E, and H

from the gin report or extracts or (2) in extending the total of the entries in columns B, E, and H to column K. If this total of column K is not equal to the "plus-minus" total and likewise is not equal to the net weight of the gin report or extracts, an error was made in computing the cumulative total in column M for the current posting unit and also in transcribing the information to the Forms 551 from the gin report or extracts to Form 551 or in extending the totals of columns B, E, and H of Forms 551 to columns K thereof. In the case of any errors in connection with proving the balance of a posting unit consisting of several extracts received from another county, it is possible that the extracts were incorrectly listed on the Form 557 or that the total on line 11, column J, Part I of the Form 557 was incorrectly determined and this possibility should be considered in locating the errors and balancing the posting unit. In any case, the error must be located and corrected.

(e) Record on balance sheet. As soon as each posting unit is balanced, the Form 551 established as a balance sheet shall be executed in the following manner:

1. In column J enter on separate consecutive lines the posting code for each posting unit in the order in which the posting units are posted and balanced.

2. In column K, opposite the posting code entered in column J, enter the result of the "plus-minus" total determined as outlined in paragraph (d).

3. In column M enter the sum of the following: (1) The entry in column K for the posting unit and (2) the entry in column M for the immediately preceding posting unit. Column M is the total amount of cotton posted to all farm and suspense accounts on Forms 551.

(f) Record on Form 553. For each posting unit that consists of a gin report received from a gin located in the county, a record of the amount posted and entered on the balance sheet on Form 551 shall be made in columns N, O, and P of Form 553. The record in these columns for each gin report shall be made on the line on which the information for the gin report is posted in columns C through M in the following manner:

1. In columns N and O make no entries unless the gross weight system of posting described in Sec. 321 is used.

2. In column P enter the amount shown in column K on the balance sheet on Form 551 for the gin report. This entry must

agree with the entry in column M of Form 553 for the gin report. If the entries for the gin report in columns M and P of Form 553 do not agree and if the proof of the balance between the gin report and Forms 551 was correctly determined, as outlined in paragraphs (d) and (e) of this section, it is indicated that an error was made in transcribing the information from the gin report to Form 553.

(g) Record on Form 557 for extracts received. For each posting unit that consists of extracts received from another county, a record of the amount posted and entered on the balance sheet on Form 551 shall be made on line 1 in Part V of the county office copy of Form 557 covering the posting unit in the following manner:

1. In column A enter the posting code as shown in column J of the balance sheet on Form 551.

2. In columns B and C make no entries unless the gross weight system described in Sec. 321 is used.

3. In column D enter the amount shown in column K on the balance sheet on Form 551 for the extracts. This entry must agree with the entry on line 11, column J, Part I of Form 557.

(h) Conclusion of the posting operation. After the cotton covered by a posting unit is posted to Forms 551 and balanced and the record thereof on Form 553 or 557 is made and prior to the time the posting of any other posting unit is started, the active Forms 551 which have been placed in the card container so that the right portion thereof extends beyond the margin of the inactive Forms 551 shall be put back in line with the inactive Forms 551.

Sec. 315 Balance period summary and semi-monthly report.

(a) Preparation of Form 566. Form 566 shall be prepared on the last day of each balance period, that is, on the 15th day and last day of each month, beginning with the first balance period and continuing thereafter for each subsequent balance period until all farm records have been checked against the reports of farm operators on Forms 522 and 417 and the records of cotton production are no longer active or until the Form 566 for the balance period ending April 15, 1942, is submitted, whichever is the earlier. The last Form 566 to be submitted for the marketing year shall be plainly marked "Final". Forms 566 shall be prepared in the following manner:

1. In the spaces provided enter the State and county code numbers, the names of the State and county, the balance period designation and the marketing year.

2. In Part II in columns A and B enter, by States, in alphabetical order the names of the counties and States to which extracts were sent for the current or some previous balance period.

3. In Part III in columns A and B enter, by States, in alphabetical order the names of the counties and States from which extracts were received for the current or some previous balance period.

4. In Part I, columns C through K, enter the amounts in columns C through K, respectively, on the line designated "Cumulative total" of the Form 553 prepared pursuant to Sec. 306(c) for the current balance period. (The number of bales should be expressed on Form 566 in decimal fractions.)

5. In Part II, opposite the name of each county, in columns C through K enter the amounts in columns B through J, respectively, of Part IV of the Form 557 sent to the county for the current balance period and on line 11 of columns C through K of Part II enter the sum of the amounts in each column.

6. In Part III, opposite the name of each county, in columns C through K enter the amounts in columns B through J, respectively, of Part IV of the Form 557 received from the county for the current balance period and on line 11 of columns C through K of Part III enter the sum of the amounts in each column.

7. In Part IV for each of columns C through K enter the result obtained for each column as follows: Part I minus Part II, line 11, plus Part III, line 11.

8. In Part V, columns C through I, enter the amounts in columns C through I, respectively, on the line designated "Cumulative total" of the Form 553 prepared pursuant to Sec. 306(d) for the current balance period.

9. The items of Part VI shall be executed as follows:

a. In item 1 enter the total number of gin reports from gins located in the county which have been received at the time the Form 566 is prepared.

b. In Item 2 enter the number of gin reports shown in item 1 which have not been included in the current or any previous balance period.

c. In item 3 enter the number of delinquent gin reports, that is, the number of gin reports which are due from ginners and which have not been received.

d. In item 4 enter the cumulative total from column M of the balance sheet on Form 551, that is, the last entry which has been made in column M at the time the Form 566 is prepared.

e. In item 5 enter the sum of the cumulative totals in column M of all suspense accounts on Forms 551.

10. Form 566 shall be signed by the secretary or treasurer of the county committee and the date of his signature shall be entered.

(b) Distribution of Forms 566. The first and second copies of the Form 566 prepared for each balance period shall be mailed on the last day of the balance period, or not later than noon of the succeeding day, to the State office. The original shall be retained in the county office in the folder provided for that purpose.

(c) Balancing totals by balance periods. All records in connection with gin reports and extracts included in a balance period must be balanced as soon as the gin reports and extracts have been posted to Forms 551 and prior to the time the gin reports and extracts included in any subsequent balance period are posted to Forms 551. The records are balanced when the sum of the entries posted to Forms 551 is equal to the amount in column K of Part IV of the Form 566, prepared for the balance period. Proof that the records are in balance shall be determined by the "trial balance" method. The "trial balance" method consists of taking a total of the cumulative totals in columns M (that is, the last entry in column M) of all Forms 551 (farm accounts and suspense accounts) to which any cotton was posted for the balance period and all previous balance periods. The total so obtained must be equal to the amount in column K of Part IV of the Form 566 prepared for the balance period. The total so obtained must also be equal to the cumulative total in column M of the balance sheet on Form 551. When the records are in balance the total obtained by the "trial balance" shall be entered on the original of the Form 566 in Part IV thereof after the words "Trial balance".

Sec. 316 Supplemental gin reports. A supplemental gin report covering a bale or lot of cotton omitted from a previous gin report or covering a bale or lot of cotton deleted, as provided in Sec. 308(b), from a gin report shall be recorded and posted to all records of cotton production as in the case of any other gin report which is not received by the county office within the prescribed time limits, with the exception that the gin serial number and report number and the posting code shall, wherever required to be entered, be preceded by the designation "Sup." A supplemental gin

report which increases or decreases the weight of any bale or lot of cotton previously included in the county office records of cotton production shall be handled as follows:

1. The total of columns E, F, G, H, and I of Part III of Form 516 or 516-A for the supplemental gin report shall be the difference between the weight of the cotton as previously reported and the weight thereof as reported on the supplemental gin report. If the new weight is greater than that previously reported, the difference shall be a positive amount. If the new weight is less than that previously reported, the difference shall be a negative amount and entered in red as a contra entry.

2. The supplemental gin report shall be included in the balance period in which it is actually received in the county office with the exception that, where the change involves cotton previously sent on an extract to another county, the supplemental report shall be included in the next succeeding balance period if it is received after the first 10 days of the balance period.

3. The record on Form 553 for the balance period in which the supplemental report is included shall be as follows:

a. In column A enter the date on which the supplemental report was received.

b. In column B enter the gin serial number and gin report number preceded by the designation "Sup."

c. In columns G, H, I, J, and K, respectively, enter the amounts on line 1 in columns E, F, G, H, and I of Part III of Form 516 or 516-A for the supplemental report exactly as they appear therein.

d. If cotton covered by the supplemental report was included on an extract previously sent to another county, enter in column L the difference between the new weight and the previously reported weight of such cotton. If the new weight is less than the previous weight, the difference shall be a contra entry.

e. In column M enter the amount in column K, if no entry appears in column L and, if any entry appears in column L, enter in column M the result obtained as follows: (i) If the entries in columns

K and L are positive (that is, not contra entries), enter in column M the result obtained by subtracting column L from column K (if L exceeds K, the entry in column M will be a contra entry); (ii) if the entries in columns K and L are contra entries, enter in column M the result obtained by subtracting column L from column K (if K exceeds L, the entry in column M will be a contra entry); (iii) if one of the entries in columns K and L is a positive entry and the other is a contra entry, enter in column M the sum of the entries in columns K and L (if the entry in column K is the contra entry, the entry in column M will be a contra entry, and, if the entry in column L is a contra entry, the entry in column M will be a positive entry).

4. If the cotton covered by the supplemental report was posted to a farm record or suspense account on Form 551, the cotton shall be posted to the appropriate Form 551 in every respect in the manner outlined in Sec. 314, with the following exceptions:

a. The entry in column B, E, or H and column K for the weight of the cotton shall be the difference between the new weight and the weight previously reported. If the new weight is less than the previous weight, the difference shall be a contra entry and shown on Form 551 in red.

b. In the case of a contra entry in column K, the entry in column M shall be the amount by which the entry in column M for the immediately preceding posting unit exceeds the entry in column K. This will not be a contra amount.

c. The "plus-minus" total of column M shall be taken in accordance with the procedure for adding machines without direct subtraction and the result entered in column K of the balance sheet. The entry in column K shall then be entered in column P of Form 553. If the result is a net decrease in the amount of cotton, the decrease shall be entered in column K of the balance sheet on Form 551 as a contra entry and the entry in column M thereof shall be the amount by which the entry in column M for the immediately preceding posting unit exceeds the contra entry in column K.

5. If the supplemental gin report covers any cotton previously included on an extract sent to another county, the information for the cotton shall be listed on an extract labeled "Supplemental" exactly as it appears on the supplemental gin report. The total of the extract shall be determined as outlined in item 1 above and the extract shall be listed on the Form 557 for the balance period for the county as in the case of other extracts.

Sec. 317 Transfers between records and accounts on Form 551 within the same county. (a) Time and conditions of transfers. The cotton posted to any farm record or suspense account on Form 551 which is subsequently found to have been produced on a different farm within the same county shall be transferred from the incorrect farm record or the suspense account on Form 551 to the correct farm record or suspense account on Form 551. The basis for making any transfer may be (1) the letter from the ginner correcting any procedural error in the gin report, or (2) in the case of multiple farms, the reports of the farm operator on Forms 522 or 417, or (3) in any other case, advice from a ginner and the producer or producers concerned to the effect that any cotton was in fact produced on a particular farm. The transfer may be made on the Forms 551 at any time. As a general rule, however, the transfers to be made during any balance period should be accumulated and made at one time, insofar as practicable.

(b) Transfer numbers. Each transfer shall be assigned a transfer number beginning with number 1 for the first transfer for the county and continuing thereafter in numerical sequence for each subsequent transfer without regard to balance periods.

(c) Balance periods. Each transfer shall be included in the balance period which, at the time of making the transfer, has not been balanced as provided in Sec. 315(c).

(d) Posting codes. The posting code for each transfer shall be the transfer number and the balance period number in which it is included preceded by the letter "T", as, for example, for transfer number 15 which is included in balance period number 4, the posting code would be "T-15-4".

(e) Preparation of Forms 551-A. The transfers included in any balance period shall be listed on a separate Form 551-A as follows:

1. In the space provided enter the name of the county and the balance period designation and serial number of the balance period.

2. In column A enter the transfer number.

3. In column B enter the designation of the account from which the cotton is being transferred as follows: (1) For a farm account, enter the word "Farm" followed by the serial number of the farm, or (2) for a suspense account, enter the word "Suspense" followed by the serial number of the gin or the name of the State and county for which the suspense account was established.

4. In column C enter the number of pounds of cotton being transferred.

5. After the transfer is accomplished, as outlined in paragraph (f), in column D enter (1) if the cotton was transferred to a farm account, the word "Farm" followed by the serial number of the farm to which the cotton is transferred, or (2) if the cotton was transferred to a suspense account, the word "Suspense" followed by the serial number of the gin or the name of the State and county for which the suspense account was established.

6. After the transfer is accomplished, as outlined in paragraph (f), in column E enter the number of pounds of cotton transferred.

7. When all transfers included in the balance period are accomplished, the respective totals of columns C and E shall be determined and entered therein on the last line of the last sheet of Form 551-A for the balance period. If the totals are not exactly the same, an error has been made (1) in recording the transfers on Form 551-A or (2) in accomplishing the transfers. Any error shall be corrected before the balance period is balanced as provided in Sec. 315(c). The record of transfers on Form 551-A should be used in locating any error made in the balance period at the time it is determined whether it is in balance as provided in Sec. 315(c).

8. Forms 551-A shall be placed in a manila file folder and attached to the right side thereof by an Acco fastener or other similar fastener. The folder shall be labeled "Record of Transfers". The Forms 551 shall be filed in the inverse order of the balance period numbers.

(f) Making the transfer. The transfer on Forms 551 of a bale or lot of cotton shall be recorded in the following manner:

1. On the first unused line of the Form 551 from which the bale or lot of cotton is being transferred, enter in red in columns A and B the information for the bale or lot of cotton.

2. On the first unused line of the Form 551 to which the bale or lot of cotton is being transferred, enter in columns A and B, in black pencil, the information for the bale or lot of cotton.

3. Extend the amount being transferred, on both Forms 551, to columns K and M. For the Form 551 from which the transfer is being made, the entry in column K will be a contra entry in red, and the entry on that line in column M will be the result obtained by subtracting the entry in column K from the immediately preceding entry in column M. For the Form 551 to which the transfer is being made, the extensions shall be made in columns K and M in the same manner that extensions are made for any other bale or lot of cotton posted thereto.

4. In column J of each Form 551 affected by the transfer enter the posting code.

(g) Balancing the transfer. The transfers, as recorded on Forms 551, shall be checked to determine whether they have been correctly made by taking a "plus-minus" balance of the entries in column M of Forms 551 affected by the transfers in the manner outlined in Sec. 314(d). The result of this balance must be zero.

Sec. 313 Late extracts sent and received. (a) Time and conditions. A late extract is any extract for another county which is prepared in connection with a gin report at any time after the Form 557 to the county for the balance period in which the gin report was included has been mailed, as provided in Sec. 312(c). The need for a late extract will arise when (1) cotton which should have been included in a previous extract was omitted inadvertently or because of a procedural error in the gin report or (2) cotton included on a canceled extract is subsequently returned to the same county or sent to a different county. During the balance period next succeeding the last balance period for which Form 556 is prepared, a late extract covering cotton on canceled extracts which has not been allocated to any farm shall be prepared for and sent to the county in which the ginner reported that the cotton was produced.

(b) Preparation of late extracts. Late extracts shall be prepared on Forms 516 and 526 in the manner outlined in Sec. 310, except that the Forms 516 and 526 shall be plainly marked "Late Extracts".

(c) Record on Form 553 for late extracts. Late extracts will be recorded on the Form 553 prepared pursuant to Sec. 306(c) for the balance period shown on the Form 557 on which the late extract is listed. The entries for the late extract shall be made on the first available line of the Form 553 below the lines reserved thereon

for gin reports regularly received and included in the balance period. The entries for the late extract shall be made in the following manner:

1. In column A enter the date on which the late extract is prepared and listed on Form 553.

2. In column B enter the gin serial number and report number of the gin report from which the late extract is prepared, preceded by the letter "L".

3. In columns C through K make no entries.

4. In column L enter the total net weight of cotton on the late extract as indicated on line 1, column I, Part III of the Form 516 on which the late extract is listed. This entry shall be made in black pencil indicating an increase in the total net weight of cotton produced in other counties.

5. In column M enter in red the total net weight of cotton on the late extract as indicated on line 1, column I, Part III of the Form 516 on which the late extract is listed. This entry shall be a contra entry to indicate a decrease in the total net weight produced in the county.

(d) Record on Form 557 for late extracts. The totals on line 1, Part III of the Form 516 on which the late extract is listed shall be entered on the Form 557 prepared for the county and which has not been mailed, as provided in Sec. 312(c), at the time the late extract is prepared. The extract shall be listed in Part I thereof as in the case of other extracts, except that the letter "L" shall precede the gin number and report number thereof in column A.

(e) Forms 551 affected by late extracts. A record of late extracts shall be made on the Forms 551 for the county in which the late extracts are prepared as follows:

1. The Form 551 on which cotton covered by a late extract is shown at the time the late extract is prepared shall be corrected by entering in red on the first available line thereof in columns A through H the information previously entered thereon for the bale or lot of cotton.

2. In column J of each Form 551 enter the gin serial number and report number and the balance period number preceded by the letter "L", as, for example, "L-12-5-9", which shall be the posting code for the late extract.

3. The sum of the entries in columns B, E, and H of each Form 551 in connection with the late extract shall be extended to column K and entered therein as a contra entry in red.

4. The contra entry in column K for each Form 551 affected by the late extract shall be subtracted from the immediately preceding entry in column M thereof and the result entered in column M opposite the entry in column K. This entry will not be a contra entry.

5. The entries posted to Forms 551 in connection with the late extract are in balance when the sum of the contra entries is equal to the net weight of cotton covered by the late extract. The proof of this balance shall be determined by the "plus-minus" method outlined in Sec. 314(d) for adding machines without direct subtraction. The total obtained by the "plus-minus" method shall be entered in column K of the balance sheet as a contra entry in red and in column M thereof there shall be entered the amount by which the entry in column M for the immediately preceding posting unit exceeds the contra entry in column K. The posting code shall be entered in column J of the balance sheet.

6. The entry in column K of the balance sheet on Form 551 as determined under item 4 above shall be entered in red in column P of Form 553 on the line on which the information for the late extract is listed in columns A, B, L, and M thereof. This entry must equal the entry on that line in column M of Form 553.

(f) Receiving late extracts. Late extracts received from another county shall be handled in every respect as other extracts are handled and without regard to the fact that it is a late extract.

Sec. 319 Procedure for the county office canceling an extract. (a) Conditions under which an extract will be canceled. Each bale or lot of cotton covered by an extract received from another county must be posted by the receiving county to either a farm account or to the suspense account established for the county from which the extract was received. When it is determined that any bale or lot of cotton posted to the suspense account cannot be allocated to a farm in the county receiving the extract on the basis of information then available, or when it is determined that any bale or lot of cotton posted to a farm account was not in fact produced on that farm or any other farm in the county, then the cotton shall be returned to the county from which the extract was received. The cotton shall be returned on a canceled extract.

(b) Preparation of canceled extracts. The canceled extract for the bales or lots of cotton being returned shall be prepared on Forms 516 and 526 and the totals of such forms shall be determined as in the case of extracts except that (i) the information will be taken from the extract received instead of the original gin report and (ii) the words "Canceled Extract - Returned To" followed by the names of the State and county to which the cotton is returned shall be plainly written above the title of the form.

(c) Time for returning canceled extracts. Canceled extracts shall be mailed only on the fifth day or the twentieth day of any month. As canceled extracts are prepared, the Forms 516 and 526 shall be filed in a folder marked "Canceled Extracts Pending" followed by the names of the State and county to which it will be returned pending the time for mailing the canceled extracts. On the day for mailing canceled extracts, the original of Forms 516 and 526 shall be taken from the pending folder and mailed to the county for which prepared. The extracts shall be accompanied by a letter and no Form 557 shall be prepared to accompany the canceled extracts to the county. The copy of Forms 516 and 526 shall remain in the folder pending acknowledgment of the receipt of the canceled extracts by the county to which they were sent.

(d) Acknowledgment of receipt and record on Form 557. The county to which the canceled extract is sent will acknowledge the receipt thereof by entering the totals of the canceled extract in Part II of the Form 557 prepared by it for the balance period in which the canceled extracts are included (also see Sec. 620). When the Form 557 is received it shall be examined to determine that the totals in Part II thereof agree with the totals of the canceled extracts sent to that county for that period as shown by the copies of the extracts filed in the pending folder.

(e) Records on Forms 551 for canceled extracts. The canceled extracts shown in Part II of the Form 557 shall constitute a separate posting unit and shall be posted to Forms 551 immediately after and not before the extracts shown in Part I of the Form 557 have been posted to Forms 551. The posting code shall be the same as that for the extracts shown in Part I of the Form 557 with the exception that it shall be preceded by the letter "R", as, for example, "R-047-5-6". The canceled extract shall be posted to the farm records and suspense accounts on Forms 551 as follows:

1. On the first unused line of the Form 551 to which the bale or lot of cotton was posted, enter in red in columns A through H the information for the bale or lot of cotton and in column J enter the posting code.

2. The sum of the entries in columns B, E, and H of each Form 551 affected by the canceled extract shall be extended to column K and entered therein as a contra entry in red.

3. In column M of each Form 551 affected by the canceled extract enter opposite the contra entry in column K the amount by which the entry in column M for the immediately preceding posting unit exceeds the contra entry in column K. The entry in column M is not a contra entry.

(f) Balancing posting units consisting of canceled extracts. The entries posted to Forms 551 in connection with the canceled extract are in balance when the sum of the contra entries is equal to the net weight of cotton covered by the canceled extract. The proof of this balance shall be determined by the "plus-minus" balance method outlined in Sec. 314(a) for adding machines without direct subtraction. The total obtained by the "plus-minus" method shall be entered in column K of the balance sheet as a contra entry in red and in column M thereof there shall be entered the amount by which the entry in column M for the immediately preceding posting unit exceeds the entry in column K. The posting code shall be entered in column J of the balance sheet. The entry in column K of the balance sheet on Form 551 shall be entered in red on line 2 in column D of Part V of the Form 557 covering the canceled extracts and the posting code shall be entered on line 2 in column A of Part V thereof. The entry on line 2 in column D of Part V of the Form 557 must be equal to the entry in column J of Part II thereof.

Sec. 320 Procedure for county office receiving a canceled extract. (a) Examination of canceled extract. The Forms 516 and 526 comprising the canceled extract shall be examined to determine that they have been prepared in accordance with Sec. 319. The information on the canceled extract should agree with the information for the cotton as shown on the original extract. The totals of the canceled extract shall be verified and any errors therein shall be corrected by circling the incorrect entries and entering immediately above them the correct entries.

(b) Record on Form 557. At the time the balance period and cumulative totals of the letter of transmittal on Form 557 are computed, as outlined in Sec. 312(b), for the county from which any canceled extracts were received, the sum of the totals of the canceled extracts received for the balance period shall be entered in columns B through J of Part II of the Form 557. If the totals for any canceled extract were in error, a letter setting forth the nature of the errors shall be forwarded to the county from which the canceled extract was received, with the Form 557.

(c) Record on Form 553. Canceled extracts will be recorded on the Form 553 prepared pursuant to Sec. 306(c) for the balance period shown on the Form 557 on which the canceled extracts are listed in Part II. The entries on Form 553 for the canceled extract shall be made on the first available line of the Form 553 below the lines thereon reserved for gin reports regularly received and included in the balance period. The entries for the canceled extract shall be made in the following manner:

1. In column A enter the date on which the canceled extracts were received.
2. In column B enter the posting code for the canceled extracts. The posting code shall be the code number of the county which prepared the canceled extracts, the transmittal number of the Form 557 on which the canceled extracts are listed, and the serial number of the balance period shown on the Form 557 preceded by the letter "R", as, for example, "R-047-6-6".
3. In column L enter as a contra entry in red the net weight of the cotton covered by the canceled extracts as shown in column J of Part II of the Form 557.
4. In column M enter as a positive entry the amount entered in column K.

(d) Record on farm records or suspense accounts. The canceled extracts for any balance period as shown in Part II of Form 557 shall constitute a separate posting unit and shall be posted to farm records or suspense accounts on Forms 551, balanced and recorded on the balance sheet on Form 551, and recorded in column P of the Form 553 as in the case of gin reports.

Sec. 321 Gross weight method of posting. The gross weight method of posting consists of keeping the records and making the reports of cotton production in every respect as outlined in the foregoing sections of this Part III with the following exceptions: (1) The net weight of a bale will not be determined, (2) the gross weight will be posted to Forms 551 and balanced instead of the net weight, (3) the weight of the bagging and ties will be extended to columns L and N of Forms 551 and balanced as are the comparable entries in columns K and M, and (4) the net weight of the cotton produced on each farm will be determined when the records of cotton production are finally verified by subtracting from the gross weight of the cotton the weight of the bagging and ties.

Sec. 322 Long staple cotton. The reports of cotton ginned on roller gin stands shall be handled in every respect as provided in the foregoing sections of this Part III by establishing completely separate records and using separate forms with the words "Long Staple" entered above the titles thereof. If any cotton included in the records as long staple cotton is subsequently determined not to be long staple cotton, it shall be transferred from the long staple records to the records for other cotton.

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Issued July 3, 1941.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

INSTRUCTIONS PERTAINING TO COTTON MARKETING QUOTAS FOR 1941

PART III. COUNTY OFFICE RECORDS OF COTTON PRODUCTION

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Sec. 301 Applicability of instructions. Part III of these instructions relates to the procedure to be followed in county offices for receiving gin bale receipt transmittals (hereinafter referred to as the "gin reports") and reports from gins, the filing of bale receipts and the computation of annual cotton production data for farms, the preparation of extracts of cotton produced in other counties, the receipt of extracts of cotton ginned in other counties. These instructions also outline the nature and use of certain forms, records, accounts, reports, and files of the county committee in connection therewith. Unless otherwise designated, each form mentioned herein is a "Cotton" form and each reference herein to a section is to a section of these instructions. Part III of these instructions is arranged, insofar as possible, so that each phase of the procedure is dealt with in the order that the work is to be performed and the order in which the information will be required in the office of the county committee (herein referred to as the "county office").

Sec. 302 The Gin Report. The gin report is required to be submitted to the treasurer of the county committee semi-monthly for periods from the 1st to the 15th and the 16th to the last day of each month, inclusive, during which any cotton is ginned by the ginner. The period to be covered by the report is known as the ginning period. The gin report is required to be submitted not later than 5 days after the last day of the ginning period. The gin report is required to distinguish between cotton ginned for producers, seed cotton marketed by producers, and cotton ginned for persons other than producers, which in most instances will be reported as remnant bales.

Sec. 303 Description and Use of Forms

1. Gin bale receipts. The originals or copies of gin bale receipts prepared by the ginner constitute an officially prescribed form which may be submitted in lieu of Forms 516 of 526, or both, for reports of cotton ginned for producers, for persons other than producers, or for seed cotton marketed by the producer to the ginner, provided the gin bale receipt contains, with respect to each bale or lot of cotton for which it is submitted, the information required to be shown under the regulations issued by the Secretary of Agriculture.

2. Form 516-A, Ginner's Report and Certificate. This form will be used by the ginner as a letter of transmittal and a schedule of gin bale receipts which constitute the gin report, and as his certification to the correctness of the gin report. The form provides spaces in which the county office may enter the totals of the gin report, totals of cotton to be reported to other counties, and totals of cotton produced in the county.

3. Form 553. Summary of Gin Reports. This form will be used to record for gin reports received from gins located in the county (a) the receipt of the gin reports; (b) the summary of the information contained in the gin reports and the ultimate disposition to be made of the cotton covered thereby; (c) the current and cumulative totals of the gin reports; and (d) a summary of the information contained in the gin report pertaining to cotton produced in other counties.

4. Form 557, Letter of Transmittal and Receipt for Gin Report Extracts.

This form will serve as a letter of transmittal of, and receipt for, extracts on Forms 516 prepared for, and received from, other counties. For extracts sent to, or received from, another county the form will also serve the same purpose that Form 553 serves for gin reports received from gins located in the county. The use of Form 557 will be limited, inasmuch as under these instructions extracts will be prepared only at the end of the ginning season.

5. Form 516. Ginner's Record and Report. The form is to be used in the county office for preparing extracts sent to other counties. The form also provides spaces in which the county office may enter the amount of cotton covered by the report, the total amount of cotton on extracts prepared in connection therewith, and the total amount of cotton reported for producers in the county.

6. Form 566. Period Summary and Report of Cotton Production. This form will be used as a summary and report of all of the information on county office records pertaining to cotton production.

7. Form 522. Report of Cotton Produced. This form will be executed and filed with the county committee by the operator to whom issued and will be used in connection with county office records and files of cotton production for the purpose of verifying data recorded and compiled on the basis of gin reports and extracts.

8. Form 417. Farm Operator's Report. This form will be executed and filed with the county committee by the operator to whom issued and will be used in connection with county office records of cotton production for the purpose of verifying records.

Sec. 304 Reimbursing Ginners for Postage Expenses Incurred. The treasurer of the county committee shall furnish each ginner with postage stamps to cover the expense of submitting gin reports. Since the amount of postage required for each report cannot be determined in advance, arrangements should be made with the ginner whereby the postage stamps may be furnished to him in advance to be used as the need arises, or whereby the ginner may be reimbursed from the administrative expense funds of the county committee for the postage expenses incurred by him upon the basis of a detailed statement of such expense presented to the county committee at the end of the season. Where postage stamps are furnished in advance, a postage account should be set up for each ginner and filed in the folder for the gin. The postage account should show (1) the value of the stamps advanced and (2) the value of the stamps used in transmitting each report. The portion of the envelope bearing the canceled postage stamps should, in the case of either method for reimbursing the ginner, be identified with the gin and the report number and filed in a folder to substantiate the postage account. Each ginner must give a receipt for any postage stamps advanced, which shall be filed in the folder for the gin to substantiate the postage account.

Sec. 305 Establishing Files and Records

1. Assigning Serial Numbers to Gins. The county committee shall ascertain the name and location of each gin situated in the county, the name and address of the owner and manager of the gin and whether the gin has equipment or

machinery designed for ginning long-staple cotton (roller gin stands). Consecutive serial numbers, beginning with number 1, for the gins shall be assigned for the purpose of identifying and filing the gin reports.

2. Files for Gin Reports and Extracts. (a) Each Form 516-A received from a gin in the county shall be filed in a separate folder with all Forms 516-A received from the respective gin. The folder for each gin shall be labeled "1941 Gin Report" followed by a dash and the gin serial number. As extracts are received from other counties, a folder shall be prepared and labeled "1941 Extracts Received from", followed by the name of the State and county and the serial number of the gin. All extracts from gins located in other counties shall be filed in the folder for the gin in the order in which they are received. The gin folders for extracts received from one county shall be separated from gin extract folders for other counties.

(b) Forms 553. A Form 553 shall be prepared for each gin located in the county. The name and serial number of the gin shall be entered on each form. All Forms 553 prepared for the gins located in the county shall be filed as a unit. Prepare one for each county forwarding extracts.

(c) Forms 557 for extracts sent to other counties. A separate folder shall be prepared for each county to which extracts will be sent. The folder shall be labeled "1941 Extracts Sent to," followed by the name of the State and county. The second copy of each Form 557 prepared in connection with an extract forwarded shall be stapled to the original Form 557, which will be returned by the receiving county as a receipt for such extract, and filed in the inverse order of the transmittal numbers entered on Forms 557.

(d) Forms 557 for extracts received from other counties. A separate folder shall be prepared for each county from which extracts will be received. The folder shall be labeled "1941 Extracts Received from", followed by the name of the State and county. Forms 557 received from other counties shall be filed in the inverse order of the transmittal numbers of the Forms 557. The original Form 557 will be returned to the county which forwarded the extract as a receipt therefor.

(e) Forms 566. A separate folder shall be prepared for the period summary and report of cotton production on Form 566. The folder shall be labeled "1941 Forms Cotton 566".

3. Files for Gin Bale Receipts. (a) Filing cabinets. Prior to the beginning of the ginning season, the county office shall procure a multiple-drawer filing cabinet containing sufficient drawer space to file all gin bale receipts transmitted to the county office during a ginning season. Linear drawer space of not less than 6 inches for each 1000 gin bale receipts should be provided. In a county in which 50,000 bales of cotton are ginned during the ginning season, the filing cabinet should contain 21 drawers, 16 inches in length. The inside measurement of each drawer should be approximately 16 inches long, 8 1/2 inches wide, and 4 inches deep. A careful check of the dimensions of all types of gin bale receipts used by gins during the preceding year will serve as a guide in determining the size of the file drawer. In no event shall the inside width of the file drawer be less than 8 1/2 inches.

(b) Indexes or guides. The county office will be furnished an adequate supply of indexes or guides for use as dividers in the filing cabinet drawers. Prior to the beginning of the of the ginning season, the county office shall prepare an index card for each farm on which cotton has been planted in 1941. The farm serial number and the name of the operator shall be entered on the index card. The index cards shall be placed in the file drawer in numerical order of farm serial numbers.

4. Gin Check Sheets. Prior to the beginning of the ginning season, the county office shall mimeograph a sufficient supply of gin check sheets similar to the attached sample form. This form will be used in the county office to verify the completeness of the gin report, record the disposition of gin bale receipts, record the gin bale receipts representing cotton produced in other counties, record the type of bagging and ties used on each bale of cotton represented by a gin bale receipt, and serve as a cross check between the serial numbers of the gin bale receipts and the farm serial numbers recorded thereon. The gin check sheets compiled for each gin shall be maintained in an orderly manner in an individual binder for each gin in the county.

Sec. 306. Supplying Ginners with Forms and Instructions. A supply of Forms 516-A, together with a copy of the regulations and Part VIII of these instructions shall be furnished to each ginner located in the county. The execution of the forms and gin bale receipts and the use thereof by the county office shall be explained in detail to the ginner. The use the producers will make of Forms 417 in reporting cotton produced and sold should likewise be explained to the ginner so that he will understand the use of the form and, should the occasion arise, be in a position to assist the producer in connection with the preparation of the form. Copies of the regulations and instructions should be mailed to the ginner and a copy of the letter addressed to the ginner, showing the date of mailing, should be retained in the files of the county office. A supply of forms should be delivered personally to the ginner. The county office may furnish the ginner of the county, and adjoining counties if desirable, a list of the farm serial numbers, names of the operators and other persons having an interest in the crop, and a description of the farm for each serial number. Under no condition shall the county office furnish information to ginner which will reveal the status of a farm with respect to compliance with the cotton acreage allotment determined therefor.

Sec. 307 Receiving and Examining Gin Reports.

1. Preliminary Examination of Gin report. The gin report, composed of gin bale receipts and the accompanying Form 516-A, shall be examined as follows to determine whether they are in proper form.

(a) The total number of gin bale receipts in the gin report shall be determined by county, and the total number thereof must appear in Column 1, item A of Part I of Form 516-A.

(b) The serial numbers of the gin bale receipts shall be examined to determine that they are in consecutive order and that the first and last serial numbers thereof correctly appear in columns 2 and 3 respectively of item A, Part I

of Form 516-A. If any serial numbers in the consecutive series are missing, the missing serial numbers must be listed in column 4, item A of Part I of Form 516-A. The last serial number, plus one, minus the first serial number of the gin bale receipts in the report should equal the number of gin bale receipts in column 1, item A of Form 516-A. Any mutilated or voided bale receipts should accompany the gin report. The ginner should be requested to account for all gin bale receipts omitted from the report.

(c) Each gin bale receipt must be examined to determine that all information required to be reported with respect to each bale is correctly shown thereon. Each gin bale receipt representing a bale of cotton on which cotton or sugar bagging has been used shall be clearly identified by the word "Cotton" or "Sugar". Each gin bale receipt representing a "Remnant" bale of cotton shall be clearly identified by the word "Remnant" inserted in the space provided for the farm serial number on the gin bale receipt. The farm serial numbers and the respective gross weights of the cotton to be credited to the producers thereof shall be entered on the reverse side of the "Remnant" gin bale receipt. The sum of the remnants making up the bale shall be checked against the gross weight of the bale as reported on the face of the gin bale receipt. Gin bale receipts representing cotton produced in other counties shall be clearly identified by the State and county code number of the respective county. Insofar as is practicable, ginner should be requested to report all fire cotton, remnants, and other oddities at the end of the ginning season.

(d) The ginning period covered by the report must appear in item D, Part I of Form 516-A.

(e) Form 516-A must be properly executed by the ginner and the name and location of the gin must appear in the spaces provided.

(f) If the ginner requested a receipt for the report by submitting the original and copy of Form 516-A, the treasurer of the county committee should execute the original and copy of Form 516-A and deliver the copy so executed to the ginner.

2. Preparation of Gin Check Sheet. In conjunction with preliminary examination of the gin report, as outlined in subparagraph (a) above, the serial number of each gin bale receipt and the respective farm serial number recorded thereon shall be entered in pencil on the gin check sheet. The first or lowest serial number of the series of gin bale receipts included in the gin report shall be checked against the last serial number of the series of gin bale receipts included in the immediately preceding gin report to ascertain that the ginner has not omitted any gin bale receipts from the gin report. A pertinent notation shall be made opposite the serial number of each gin bale receipt which has been voided, mutilated, or omitted from the gin report. All gin bale receipts bearing the notation "Cotton" or "Sugar" shall be so identified on the gin check sheet. The State and county code number shall precede the farm serial number for each gin bale receipt representing a bale of cotton produced in another county. All irregularities noted shall immediately be called to the attention of the ginner.

3. Arrangement of Gin Bale Receipts. As soon as the preparation of the gin check sheet for the gin report is completed, the gin bale receipts shall be

separated into groups according to farm serial numbers. All gin bale receipts covering cotton produced in other counties shall be separated into county groups by farm serial numbers. All gin bale receipts covering cotton ginned for persons other than producers or gin bale receipts representing "remnant" bales shall be placed in a separate group. For purposes of these instructions, each group of bale receipts separated accordingly by farm serial number will be referred to hereafter as an "operator-group" of gin bale receipts.

4. Computation and Check of the Gin Report Production Data.

Operation I - Upon completion of the separation of gin bale receipts into separate operator-groups as outlined in subparagraph (c) above, and without disturbing the identity of the various groups of gin bale receipts, the gross weights entered on each gin bale receipt making up the gin report shall be added and totaled, striking a subtotal for each operator-group of gin bale receipts. The total gross weight of the gin report will thus be obtained.

Operation II - The gin bale receipts, as separated into operator-groups, shall then be re-added in the same sequence as under Operation I, with the exception that a total will be taken and the machine cleared for each operator-group. Not less than five blank spaces on the adding-machine tape should be left between each operator-group following the total. The total gross weight of each operator's cotton in the gin report will thus be obtained and recorded on the adding-machine tape.

Operation III - The individual operator-group totals obtained under Operation II shall then be added and totaled. The sum of such operator-group totals should equal the total obtained under Operation I. In the event the totals do not agree, an error, either under Operation I or II, has occurred. If an error has occurred, the adding-machine tapes from Operations I and II shall be compared in the following manner. Compare the first operator-group total on the tape from Operation II with the first sub-total on the tape from Operation I. If the total and sub-total agree, add the first operator-group total to the second operator-group total on the tape from Operation II. The total thereof should agree with the second subtotal entered on the tape from Operation I. Continue the process as outlined until the error is located.

5. Preparation of Gin Bale Receipts for Filing. As soon as the totals on the tapes from Operations I and II have been balanced, the following steps shall be taken. The tape from Operation II, setting forth the number and gross weight of the bales in each operator-group, shall be cut into individual tapes for each operator-group. Enter opposite the gross weight of each bale with cotton or sugar bagging a notation (14) or (20) as the case may be. Staple the individual operator-group tape to the gin bale receipts added and recorded thereon. In the event an operator-group contains too many gin bale receipts to permit stapling, staple the individual operator-group tape to the first two or three gin bale receipts in the operator-group and place a rubber band around the entire group.

Each operator-group of gin bale receipts representing the production from the farm as reported in the gin report is now ready to be filed in the filing

cabinet under the farm serial number. The name of the operator or other producers recorded on the gin bale receipt should be carefully compared with the operator or producer entered on the index or guide card. An error on the part of the ginner in assigning the farm serial number to a gin bale receipt will be readily discernible.

Gin bale receipts representing "Remnant" bales shall be handled in accordance with Section 310.

Sec. 308 Recording Gin Report Production Data on Form 553. The gin report production data derived from Operation I and the preparation of the gin check sheet shall be recorded on Form 553, prepared in accordance with Section 305(c) for each gin report, as follows:

1. In columns A and B respectively, enter the date of receipt of the gin report and the gin number and report number.
2. In columns C, D, and E, enter the number of bales reported in the gin report. The number of bales with cotton or sugar bagging can be ascertained from the gin check sheet.
3. In column G, enter the gross weight of the cotton reported in the gin report as obtained from the tape from Operation I (Section 307 (4)).
4. In column H enter the tare of the cotton reported in the gin report. The entry in column H shall be the sum of the results obtained as follows:
 - (a) The entry in column C multiplied by 21 pounds
 - (b) The entry in column D multiplied by 14 pounds
 - (c) The entry in column E multiplied by 20 pounds
5. Enter in column I the remainder obtained by subtracting the entry in column H from the entry in column G.
6. Enter in column K the identical figure as entered in column I.
7. Enter in column L the sum of the entries placed in columns I of Forms 553 prepared in accordance with Section 305(2)-(b) and Section 309 for counties to which cotton will be extracted.
8. Enter in column M the remainder obtained by subtracting the entry in column L from the entry in column K.
9. A cumulative total of the entries on Forms 553 will only be calculated for the reports required in connection with Section 314.

Sec. 309 Preparation of Form 553 for Cotton to be Extracted. In accordance with Section 307-(3), all gin bale receipts covering cotton produced in other counties were separated into county groups by farm serial numbers. Furthermore,

all cotton produced in other counties will be clearly identified on the gin check sheet executed in accordance with Section 307-(2). From such sources of information, enter on the Form 553, prepared for the applicable county, the data required in columns A, B, C, D, E, G, H, and I. The sum of the entries on such Forms 553 prepared for a given county will correspond to the number and weight of the gin bale receipts filed by county in the filing cabinet and for which an extract will be prepared at the close of the ginning season.

Sec. 310 Handling "Remnant" Gin Bale Receipts. In accordance with Section 307(5), all gin bale receipts representing "Remnant" bales of cotton will be separated from the gin report and filed in a separate section of the filing cabinet. Under no condition shall remnant gin bale receipts be filed under a farm serial number. The remnant gin bale receipts from each gin in the county shall be filed separately by gin. The section of the filing cabinet drawer set aside for the remnant gin bale receipts shall contain a separate index card for each gin in the county.

The county office shall prepare a supply of mimeographed slips of paper, approximating the size of a gin bale receipt, on which will be entered the necessary production data to credit a farm with the production reported on remnant gin bale receipts. The data set forth on the reverse side of the remnant gin bale receipt shall be transcribed to a separate "Remnant Filing Slip" for each farm contributing to the total weight of the remnant bale. After preparation and checking, the "Remnant Filing Slips" shall be filed with all other gin bale receipts representing the production from the farm. The tare of a remnant bale shall be prorated among the farms producing the remnants in the proportion that the gross weight assigned to each farm is to the total gross weight of the bale.

The "Remnant Filing Slip" shall contain the following information: (a) The serial number and the name of the gin; (b) the farm serial number; (c) the serial number of the remnant gin bale receipt; (d) the date and gin report number (e) the operator or producer, and (f) the gross, tare, and net weight of the remnant which will be credited to the production for the farm.

Sec. 311 Procedure in Connection with Errors in Gin Reports. All errors affecting the weight of cotton covered in a gin report shall be corrected upon verification of the corrected data in writing by the ginner. In order to maintain a balance between the individual farm production filed under farm serial numbers in the filing cabinet and the compilation of gin reports set forth on Forms 553, compensating correction entries must be made for each error reported. The county office shall prepare a "Correction Summary Sheet" for each gin located in the county. The "Correction Summary Sheet", which may be maintained on a standard columnar pad, should provide columnar space to record the following information:

1. Date of gin report
2. Number of gin report
3. The farm serial number
4. Name of the operator or producer

5. Serial number of gin bale receipt
6. Original gross weight recorded on the gin bale receipt
7. Corrected gross weight of bale of cotton
8. The increase in weight resulting from the correction
9. The decrease in weight resulting from the correction
10. Columns providing space to check off the various forms in the records on which the correction entry has been made and the date thereof. Correction entries shall be entered on the gin bale receipt, the operator-group tape total, Form 553, Form 516-A, and the gin check sheet if applicable.
11. County office may provide space for corrections in tare if desirable.

By the use of the "Correction Summary Sheet", corrections may be allowed to accumulate over a period of time.

Procedural or technical errors, or errors affecting the identity of the cotton reported shall be corrected as they are disclosed.

Sec. 312. Preparation and Transmittal of Extracts to Other Counties.

To avoid needless clerical work and the necessity of maintaining balance periods throughout the season, extracts will be prepared and forwarded to counties in which the cotton was produced, at the end of the ginning season. During the ginning season, all gin bale receipts representing cotton produced in other counties will be filed by operators and counties in a separate drawer of the filing cabinet.

1. Preparation of Extracts. The county office in which a gin is located shall prepare in duplicate on Form 516 extracts of the information contained in the gin reports for cotton produced in other counties. Insofar as is possible, a single extract for each county shall be prepared at the end of the ginning season. The gin bale receipts filed in operator-groups according to the county in which the cotton was produced shall be tabulated to determine each producer's production. The gross weight of the gin bale receipts in each operator-group shall be totaled and the number of bales plus remnants determined. The tare and the net weight can then be calculated for each operator-group. The following information shall be entered on each extract on Form 516.

(a) Above the title of the form enter the words "Extract from", followed by the names of the State and county in which the gin is located and the State and county code number therefor.

(b) In the space provided for the period covered by the extract, enter the words "As of," followed by the date subsequent to which no gin bale receipts have been filed.

(c) In the spaces provided on Forms 516, enter the sheet number and the total number of sheets which will be required to list the information for the county for which the extract is prepared.

(d) Using one line of Part I of Form 516 for each producer, enter the following information in the columns noted:

(1) In column A, enter the farm serial number.

(2) In column B, enter the number of bales reported for each operator or producer. If an operator is to be credited with 10 bales and one remnant, the entry should read "10-1". The heading of column B should be altered to read "Number of Bales."

(3) In column C, enter the name of the operator of the farm on which the cotton was produced.

(4) In column D, enter the name of the producer if other than the operator set forth in column C.

(5) In column F, enter the gin bale mark as set forth on the gin bale receipts filed for the operator.

(6) In column H, enter the total gross weight of the cotton produced on the farm.

(7) In column I, enter the calculated tare or weight of bagging and ties.

(8) In column J, enter the total net weight of the cotton produced on the farm.

(e) Add, and enter the totals of columns B, H, I, and J on the last sheet in Part I of Form 516 making up the extract. In Part III on the last sheet of Form 516 prepared as an extract enter the respective totals of columns H, I, and J of Part I in columns E, F, and G of Part III thereof. The total of column B of Part I shall be divided in accordance with the number of bales of jute, cotton, or sugar bagging so that the sum of the entries to be entered in columns A, B, and C of Part III will equal the total of column B of Part I.

2. Check Extract Totals. The entries in Part III of the extract prepared for a county shall be compared and checked against the cumulative total of the entries on the Form 553 prepared and maintained for the respective county in accordance with Section 309. If such totals do not agree, an error has occurred in transcribing the information from the files to the extract or in the addition of the entries thereon.

3. Preparation of Form 557. As soon as an extract for any county is prepared and the totals thereon checked against the cumulative totals on the respective Form 553, the information in connection therewith shall be recorded in Part I of the letter of transmittal on Form 557 for the county as follows:

(a) In column A enter the date corresponding with the date entered on the Form 516 (subparagraph 1 (b) above).

(b) In columns B, C, D, F, G, and H enter the corresponding data as set

forth in Part III of Form 516 prepared as the extract.

(c) Enter all other necessary information required in the preparation of Form 557.

4. Mailing Extracts to Other Counties. Upon completion of the execution of Form 557, the original and first copy thereof shall be stapled to the extract prepared on Forms 516 and mailed. Form 557 shall be properly signed by the sending office before it is mailed. The second copy of Form 557 so executed shall be filed in the folder prepared for that purpose, and the original thereof, when returned by the receiving officer, shall be stapled thereto.

Sec. 313 Receiving Extracts from Other Counties.

1. Examination of Extracts and Forms 557 Received from Other Counties. Immediately upon receipt of an extract and the accompanying Form 557, the data set forth therein shall be examined and corrected as follows:

(a) The extract on Form 516 from a county shall be added to determine that the information set forth in Part III thereof is correct.

(b) The information in Part I of the Form 557 shall be compared with Part III of Form 516 for each extract to determine that the totals for the extract have been correctly transcribed to Form 557.

(c) Any errors in the addition of the extract or in transcribing the total from Part III of Form 516 to Form 557 shall be noted and corrected on Forms 557.

2. Acknowledging Receipt of Extracts. The original and copy of Form 557 shall be signed by the treasurer or secretary of the county committee as the receiving officer and the date of his signature and his title entered in the space provided. The original of Form 557 shall be returned to the sending officer. If any corrections or changes were made in the extract or Form 557, the original of Form 557 shall be accompanied by a letter setting forth the nature of the corrections and a request for confirmation thereof. The first copy of Form 557 shall be retained in the county office and filed in the folder prepared for that purpose.

3. Recording and Filing Production Data in Extracts from Other Counties. The county office shall prepare a supply of mimeographed slips of paper, approximately the size of a gin bale receipt, on which will be entered the necessary production data to credit a farm with the production reported in an extract received from another county. Such slips will hereinafter be referred to as "Extract Filing Slips". The data set forth in the extract on Form 516 for a farm shall be transcribed to an "Extract Filing Slip". The gross, tare, and net weights on all "Extract Filing Slips" prepared in connection with an extract shall be added and compared with the respective entries on applicable Form 557 before filing by farm serial number in the filing cabinet. If such totals are in agreement, the "Extract Filing Slips" may be filed under the proper farm serial number in the filing cabinet.

The "Extract Filing Slip" shall contain the following information: (a) the farm serial number, (b) the name of the operator or producer, (c) a proper identification of the extract, (d) the number of bales and remnants and type of bagging used, and (e) the gross, tare, and net weight of the cotton reported for the farm in the extract.

Sec. 314 Monthly Production Summary and Report.

1. Preparation of Form 566. Form 566 shall be prepared on the last day of each month during which any cotton has been ginned in the county and continuing thereafter for each month until all farm records have been closed. The last Form 566 to be submitted for the marketing year shall be plainly marked "Final". Forms 566 shall be prepared in the following manner:

(a) In the spaces provided, enter the State and county code number, the names of the State and county. On the line designated "Balance Period", enter the words "As of", followed by the date of the last day of the month covered by the report.

(b) In the applicable columns of Part I, enter the corresponding cumulative totals for all Forms 553 prepared in accordance with Section 308.

(c) In the applicable columns in Part II, using a separate line for each county to which cotton will be extracted, enter the corresponding cumulative totals as set forth on Forms 553 prepared in accordance with Section 309.

(d) Make no entries in Part III until the "Final" report on Form 566 is prepared. At such time, enter in the applicable columns the corresponding data compiled for each county from which extracts are received on Forms 557 and/or 516 prepared in accordance with Section 314.

(e) Make no entries in Part IV until the "Final" report on Form 566 is prepared. At such time enter in Part IV for each of the columns C through K the result obtained for each column as follows: Part I minus Part II, line 11; plus Part III, line 11.

(f) All other sections and items will be left blank. Form 566 shall be signed by the secretary or treasurer of the county committee and the date of his signature affixed thereto.

2. Distribution of Forms 566. The first and the second copies of the Form 566 prepared as above shall be mailed not later than the first day of the month following the month covered in the report. The original shall be retained in the county office in the folder provided therefor.

Sec. 315 Determination of Actual Production for Farms. After the ginning of cotton is completed for the season and all cotton ginned in other counties is reported on extracts and recorded in accordance with Section 313, the actual production for each cotton farm shall be determined. From the gin bale receipts, "extract filing slips", and "remnant filing slips", filed under a farm serial number in the filing cabinet, the county office shall determine (1) the total

number of bales plus remnants, (2) the total gross weight of such bales and remnants, (3) the total weight of the tare thereof, and (4) the resultant total net weight. Such information shall be tabulated on a listing sheet. Upon completion of the operation for each farm, the columns of the listing sheet shall be added and checked against the sum of the cumulative totals on all Forms 553 and the sum of the totals on Forms 557 received in connection with extracts from other counties. Such totals should be in substantial agreement.

Sec. 316 Long Staple Cotton. The reports of cotton ginned on roller gin stands shall be handled in every respect as provided in the foregoing sections of this Part III by establishing completely separate records and using separate forms with the words "Long Staple" entered above the titles thereof. If any cotton included in the records as long staple cotton is subsequently determined not to be long staple cotton, it shall be transferred from the long staple records to the records for other cotton.

GIN CHECK SHEET

Name of Gin _____

Serial Number _____

Bale No. (1)	Farm Serial No. (2)	Bale No. (3)	Farm Serial No. (4)	Bale No. (5)	Farm Serial No. (6)	Bale No. (7)	Farm Serial No. (8)
5431	7356	5451	54-7560	5471	15-860	5491	10320
2	"	2	"	2	"	2	"
3	"	3	"	3	"	3	"
4	"	4	"	4	"	4	1521
5	"	5	"	5	"	5	"
6	9460	6	54-891(c)	6	"	6	"
7	MQ200	7	" (c)	7	"	7	"
8	"	8	" (c)	8	12561	8	"
9	"	9	" (c)	9	"	9	"
0	"	0	7561	0	"	5500	"
1	"	1	"	1	"	1	"
2	"	2	"	2	8970	2	"
3	"	3	"	3	8615	3	"
4	5480	4	"	4	"	4	1760 (c)
5	5900	5	"	5	"	5	" (c)
6	"	6	"	6	"	6	" (c)
7	"	7	"	7	"	7	" (c)
8	"	8	65-860	8	"	8	891
9	"	9	"	9	"	9	"
0	"	0	"	0	"	0	"

Bales for Other Counties (9 - 93 - 054) (10 - 93 - 015)

Bales with Cotton Bagging (93 - 054 - 4) (93 - 010 - 4)

Tare = _____ x 21 minus _____ x 7 minus _____ x 1 = _____

